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146

CORRESPONDENCE

RESPECTING THE

REVISION OF THE COMMERCIAL TREATY OF 1861

BETWEEN

GREAT BRITAIN AND TURKEY.

146

1882-83.

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Printed for the use of the Foreign Office. February 1884.

CONFIDENTIAL.

Correspondence respecting the Revision of the Commercial Treaty of 1861 between Great Britain and Turkey.

No. 1.

The Earl of Dufferin to Earl Granville.—(*Received March* 14, 12·45 P.M.)

(Telegraphic.) *Constantinople, March* 14, 1882, 11 A.M.

PORTE have officially informed me of their desire to revise Tariff of Commercial Treaty of 1861 with Great Britain, and of their intention to denounce Treaty itself.

No. 2.

Earl Granville to the Earl of Dufferin.

(No. 14. Commercial.)
(Telegraphic.) *Foreign Office, March* 16, 1882, 3·45 P.M.

YOUR telegram of 14th.

Commercial Treaty of 1861 with Turkey is not terminable till the 1st October, 1883, and notice cannot be given before the 1st October, 1882.

The Tariff is not terminable till the 1st March, 1883, and notice cannot be given before the 1st September, 1882.

See Lord Derby's note to Musurus Pasha of the 3rd June, 1876, of which copy was inclosed in despatch to Sir H. Elliot No. 17, Commercial, of the 5th June, 1876.

No. 3.

The Earl of Dufferin to Earl Granville.—(*Received March* 20.)

(No. 32. Commercial.)
My Lord, *Constantinople, March* 14, 1882.

I HAVE the honour to transmit to your Lordship herewith a copy of a note from the Sublime Porte demanding the revision of the Tariff annexed to the Treaty of Commerce concluded between England and Turkey on the 29th April, 1861, and stating that it is the intention of the Ottoman Government to denounce the Treaty at the end of its twenty-first year.

I have, &c.
(Signed) DUFFERIN.

Inclosure in No. 3.

Assim Pasha to the Earl of Dufferin.

Sublime Porte, le 11 *Mars,* 1882.

AUX termes du Traité de Commerce conclu entre la Turquie et l'Angleterre le 29 Avril, 1861, chacune des Hautes Parties Contractantes a le droit de demander la révision du Tarif un an avant l'expiration de chaque période de sept années.

Ce délai, pour ce qui concerne la période courante, expire le 1/13 de ce mois.

Le Soussigné, Ministre des Affaires Étrangères de Sa Majesté Impériale le Sultan, a l'honneur de déclarer à son Excellence M. l'Ambassadeur de Sa Majesté Britannique, que la Sublime Porte demande la révision du Tarif actuellement en vigueur.

Comme toutefois la Sublime Porte a en même temps décidé de dénoncer le Traité lui-même à l'expiration de sa vingt et unieme année, il demeure entendu que la révision du Tarif actuel qui fait partie intégrante du Traité devra se faire sur les bases à arrêter ultérieurement.

Le Soussigné prie son Excellence M. l'Ambassadeur de Sa Majesté Britannique d'vouloir bien prendre acte de la déclaration qui précède, et saisit, &c.

(Signé) M. ASSIM.

No. 4.

The Earl of Dufferin to Earl Granville.—(Received March 27.)

(No. 35. Commercial.)

Constantinople, March 21, 1882.

My Lord,

WITH reference to your Lordship's telegram, Commercial, of the 16th instant, I have the honour to transmit herewith to your Lordship a copy of a note which I have addressed to the Sublime Porte on the subject of its demand for the revision of the Tariff at present in force under the Anglo-Turkish Commercial Treaty of 1861.

I have, &c.

(Signed) DUFFERIN.

Inclosure in No. 4.

The Earl of Dufferin to Assim Pasha.

Constantinople, March 20, 1882.

HER Majesty's Ambassador has the honour to acknowledge the receipt of the note from his Excellency the Minister for Foreign Affairs of the 11th instant, stating that, under the Anglo-Turkish Commercial Treaty of the 29th April, 1861, the High Contracting Parties had the right to demand the revision of the Tariff one year previous to the expiration of each period of seven years, and that, as the term of the current period would expire on the 1st/13th instant, the Sublime Porte gave notice for the revision of the Tariff in force under that Treaty.

In reply, Her Majesty's Ambassador begs to point out that the document in which the Tariff is contained, drawn up and signed by the Commissioners appointed for the purpose, states that the Tariff shall be valid from the 1st March, 1862, to the 1st March, 1869, but that, during the last six months of that period, each party shall have the right of demanding its revision and renewal. In the event, however, of the six months elapsing without either party having made such demand, the terms of the duration of the Tariff shall be thereby extended to the seven following years.

As the Tariff was not revised before the 1st March, 1869, the end of the first period, the term of its duration became extended for a second period of seven years, which terminated on the 1st March, 1876; and the Sublime Porte having again forborne to give the stipulated notice, a third period of seven years commenced for the duration of the Tariff, which will not expire until the 1st March, 1883. Notice for its revision cannot, consequently, be given before the 1st September, 1882.

With regard to the Treaty, Her Majesty's Ambassador has the honour to point out that it remains in force till the 1st October, 1883, and that notice for its termination cannot be given before the 1st October of the present year.

Her Majesty's Ambassador avails, &c.

(Signed) DUFFERIN.

No. 5.

Earl Granville to the Earl of Dufferin.

(No. 19. Commercial. Ext.)

Foreign Office, March 31, 1882.

My Lord,

I HAVE received your Excellency's despatch No. 32, Commercial, of the 14th instant, inclosing copy of a note from the Porte demanding a revision of the Tariff annexed to the Treaty of Commerce of the 29th April, 1861, between Great Britain and Turkey, and stating that the Ottoman Government intends denouncing the Treaty itself at the end of its twenty-first year. In reply, I have to refer you to Lord Derby's note to Musurus Pasha of the 3rd June, 1878, copy of which was sent to Sir H. Elliot in Lord Derby's despatch No. 17, Commercial, of the 5th June of that year; from the note in question your Excellency will perceive that notice to terminate the Treaty cannot be given before the 1st October of this year, and that thus the Treaty itself is not terminable till the 1st October, 1883; and further, that the Tariff is not terminable till the 1st March, 1883, and that notice demanding a revision thereof cannot be given before the 1st September of the present year.

I am, &c.

(Signed) GRANVILLE.

No. 6.

Earl Granville to the Earl of Dufferin.

(No. 20. Commercial.)

Foreign Office, March 31, 1882.

My Lord,

I HAVE received your despatch No. 35, Commercial, of the 21st instant, and, in reply, I have to inform you that I approve your note to the Porte, copy of which is inclosed therein, respecting the dates at which the Commercial Treaty between Great Britain and Turkey, and the Tariff annexed to it, can respectively be denounced.

I am, &c.

(Signed) GRANVILLE.

No. 7.

The Earl of Dufferin to Earl Granville.—(Received April 24.)

(No. 39. Commercial.)

Constantinople, April 14, 1882.

My Lord,

THINKING it possible that your Lordship might like to know what are the present aspects of the question which has been raised by the Porte's communications to foreign Representatives relative to the existing Commercial Treaties between Turkey and the European Powers, Mr. Wyndham, at my request, has drawn up the accompanying clear and concise Memorandum on the subject.

I have, &c.

(Signed) DUFFERIN.

Inclosure in No. 7.

Memorandum by Mr. Wyndham respecting Revision of Tariffs and Denunciation of Commercial Treaties.

(Confidential.)

ON the 11th ultimo the Sublime Porte addressed a note to the Earl of Dufferin expressing a wish that the Tariff annexed to the Treaty of Commerce between Great Britain and Turkey concluded on the 29th April, 1861, should be revised, and indicating at the same time an intention of denouncing the Treaty itself.

As there was an error in the note as to the duration of the Tariff, Her Majesty's Ambassador pointed out to Assim Pasha that it did not expire before the 1st March, 1883, and that notice for its revision could not consequently be given before the 1st September, 1882. His Excellency at the same time added that the Treaty remained in force till the

1st October, 1883, and that notice for its termination could not be given before the 1st of that month in the present year. The fact, however, remains that the Porte wish to revise the Tariff and to denounce the Treaty of Commerce with England. They intend also to adopt a similar course with regard to the Powers, for on the same day (11th March) they addressed notes to the Representatives at Constantinople of the following States:—

Austria, France, Germany, Italy, Russia, Spain, Sweden, Denmark, Belgium, Holland, United States of America.

In the notes to the three first Powers allusion was made to the Tariffs only, as their Treaties cannot be denounced at present, and Her Majesty's Embassy is under the impression that Portugal is in a like position with regard to her Treaty.*

According to information obtained unofficially from the Porte, it appears that France and Germany took the initiative in denouncing their respective Tariffs, and that the Sultan's Government then determined to take the same course with regard to all Tariffs, and to extend it eventually, as time permitted, to Treaties. The object the Porte have in view is to introduce a uniform Tariff for all nations trading with Turkey, and to obtain if possible an increased revenue from customs dues, in order, they say, the better to meet their liabilities, especially to foreign creditors.

Some time ago a Commission was formed in the Customs Department of Indirect Contributions to consider the revision of Tariffs, and expressed the following opinions:—

1. To abolish internal custom-houses.
2. To discontinue levying export duties.
3. To abolish certain duties.
4. To augment others.
5. To make a uniform Tariff.

But it appears that the higher authorities modified the above proposals, and that no details have as yet been definitively decided upon by the Government.

From information which Her Majesty's Embassy has obtained from private but credible sources, the Porte contemplate—

1. The complete reorganization of the Customs Service, with a view of improving and simplifying its mechanism.
2. The maintenance of 8 per cent. *ad valorem* duty on raw materials.
3. The increase of import duties on all manufactured articles, which are variously stated as about to be raised from 10 and 12 to 20 per cent.; and on half-manufactured goods ("demi façonnées") to 10 per cent.
4. The imposition of a duty of 25 per cent. upon all manufactured articles of which the like are made in Turkey.
5. The exemption from duty of certain Turkish products which pay an export duty of 1 per cent.
6. The increase of transit dues to a figure to be hereafter decided upon.

It is inferred from the above that the amount of duty proposed to be charged upon imports will reach an average of about 15 per cent. *ad valorem*.

With regard to the position and attitude of some of the Powers, the following is believed to be correct:—

The French Government, after receiving a Report on questions affecting trade with Turkey of a Commission which sat at Constantinople last year under the presidency of the Secretary of their Embassy, instructed their Ambassador to denounce the Tariff. They can claim to negotiate a fresh Tariff on the basis of the existing Treaty of the 14th July, 1861, as it does not expire till the termination of the twenty-eighth year, either party, however, having the right at the end of the fourteenth and twenty-first year to demand such modifications "as experience may suggest."

The German Government have likewise, after consulting their nationals in Turkey, taken the initiative in requiring a revision of the Tariff, and Germany has the same advantages as regards the termination of her Treaty as France. (Treaty between Turkey and Prussia of the 20th March, 1868.)

The German Embassy have, moreover, this week, addressed a note to the Porte, based upon orders from Berlin, as to the new Tariff. The proposals are hardly, however, likely to be accepted by the Porte, as they contain a suggestion that a Tariff should be framed based upon the most favourable elements of all the Tariffs in existence with Turkey.

Austria, whose Treaty cannot either be denounced at present, is said to be favourable to a revision of Tariffs and to a uniform one being introduced.

* The Italian Embassy is charged with Portuguese interests, but they have received no communication from the Porte as to the Portuguese Treaty or Tariff.

The Russian Ambassador acknowledges the right of the Porte to denounce both Treaty and Tariff, and in forwarding a copy of the note from the Sublime Porte to St. Petersburgh, has begged that the question may be studied in Russia, while he will in the meantime consult the representatives of Russian trade in Turkey.

The Italian Embassy have, like the British, pointed out an error as to dates in Assim Pasha's communication, and have referred to Rome for instructions.

The Belgian Legation have sent a Report to Brussels embodying the views of their nationals interested in trade with Turkey, and have likewise pointed out to the Porte an error as to dates.

It is anticipated that the Porte will meet with considerable difficulties in carrying their views into effect, owing, for one reason, to the fact that some Treaties, especially those with France, Germany, and Austria, cannot be denounced at present, but by offering certain advantages they are in hopes, it is said, to succeed in inducing those Powers to give up their rights.

With regard to England and Belgium, they announce the intention of negotiating on a fresh basis. (See note to Earl of Dufferin of the 11th March, 1882, of which a copy was sent to the Foreign Office on the 21st ultimo.)

(Signed) HUGH WYNDHAM.

Constantinople, April 13, 1882.

P.S.—I have since learnt that the Porte has denounced their Treaty of Commerce with Portugal for the purpose of revision.

That the Porte will propose to introduce into the Tariff they wish to negotiate some specific duties as well as duties *ad valorem*.

That they intend very shortly to communicate semi-officially to the Powers interested their proposals on commercial questions.

April 14, 1882. H. W.

No. 8.

The Earl of Dufferin to Earl Granville.—(*Received April* 24.)

(No. 40. Commercial. Confidential.)

My Lord, *Constantinople, April* 16, 1882.

WITH reference to my previous Commercial despatch of the 14th instant, on the subject of the revision of the existing Commercial Treaties with the Sublime Porte, I have the honour to inform your Lordship that I have obtained from an authoritative source the following information as to the views entertained by French commercial men here in the matter.

They desire the maintenance of the present import duty of 8 per cent. and export duty of 1 per cent.; the adoption of the metrical system; the abolition of the 8 per cent. duty on goods transferred from one part of the Empire to another; the revision of the Tariffs and their establishment according to the present value of produce, exception being made for such goods as are to be taxed *ad valorem*.

They would be glad to see a uniform Tariff for all the Powers, but, should this not be attainable, they claim the effective application of the most-favoured-nation treatment, that is to say, the extension of the principle to the Tariffs, as well as to the Treaties themselves.

I am further informed that the prices in the present Franco-Turkish Tariff, which was drawn up in 1861, and was itself based on the prices named in the previous Tariff, being consequently considerably below the present value of the articles mentioned in it, a new Tariff has been prepared by the French Consul here, with the assistance of the French merchants, and has been sent to Paris.

I should observe that these communications have been made to me in the strictest confidence.

I have, &c.

(Signed) DUFFERIN.

No. 9.

Earl Granville to the Earl of Dufferin.

(No. 29. Commercial.)

Foreign Office, April 27, 1882.

My Lord,

I HAVE to acknowledge the receipt of your Excellency's despatches Nos. 39 and 40, Commercial, of the 14th and 15th instant, relative to the revision of the Turkish Tariff. I shall await the action of the Porte in the matter before addressing instructions to you in regard to it. In the meanwhile, I have to request that you will express to Mr. Wyndham my thanks for the Memorandum which is inclosed in your despatch No. 39 of the 14th instant.

I am, &c.
(Signed) GRANVILLE.

No. 10.

The Earl of Dufferin to Earl Granville.—(Received May 8.)

(No. 48. Commercial. Confidential.)

Constantinople, May 1, 1882.

My Lord,

WITH reference to my despatch No. 40, Commercial, of the 16th ultimo, I have the honour to state to your Lordship that I am confidentially informed that the Council of Ministers has adopted the Report on the Commercial Treaties and Tariffs between Turkey and the foreign Powers which was drawn up and submitted to it some time since by the Commission Douanière. In this Report the metrical system has been adopted.

The Sublime Porte has denounced its Commercial Treaty with France for the purpose of modifications, and is about to propose to the French Embassy the following conditions on which it considers that it will be able to negotiate. These conditions will ultimately, I understand, be communicated officially to the other foreign Missions as the time for the denunciation of their respective Treaties approaches.

They are as follows:—

1. Goods to be subjected to specific duties, which will be fixed according to the unit of weight, volume, or superficies.

2. The adoption of a single Tariff applicable to the goods of all countries. Under this Tariff jewellery and plate ("bijouterie et orfèvrerie") would pay specific duties, the maximum duty being 3 per cent., the duties being graduated according to the inverse ratio of the value of the articles. Other imports would pay duties under two categories, the one being a light duty, the other a heavy one, but not exceeding 20 per cent.

3. The increase of customs duties on wines and spirits in proportion with the excise duties to be imposed on such articles of Ottoman production.

4. The establishment of a monopoly for the sale of playing-cards and matches.

5. The suppression of transit duties, and the establishment either of bonded warehouses, or of places that are to be considered as such, according to regulations that are to be hereafter established.

6. The maintenance of lighthouse, anchorage, and quarantine dues, as well as the establishment of shipping and landing dues, which would be destined to meet the expenses of necessary establishments at the port of import or export.

7. The payment of duties in golden medjidiehs at the rate of 100 piastres per £T.

I have marked this despatch "Confidential," as the information it contains has been given to me secretly by a Government official without the knowledge of the Sublime Porte.

I have, &c.
(Signed) DUFFERIN.

No. 11.

Mr. Giffen to Sir Charles W. Dilke.—(Received May 26.)

Office of Committee of Privy Council for Trade, May 24, 1882.

Sir,

WITH reference to your letter of the 20th ultimo, forwarding copies of the Customs Regulations of the principal foreign countries, I am directed by the Board of Trade to state that their attention has been called to the volumes entitled "Législation Ottomane" inclosed therewith, in Part 5 of which is contained a revised Tariff of customs duties applicable to Austro-Hungarian goods imported into Turkey. The Tariff in question came into operation in June 1872, and differs in some important respects from the Tariff of specific duties drawn up in 1862 by the Commissioners appointed under the Anglo-Turkish Treaty of the 29th April, 1861.

I am to request that you will move Earl Granville to cause this Board to be informed whether the Tariff of 1872 is to be regarded as superseding the Tariff of 1862, or whether there is any authoritative statement as to the existing specific duties (based on the uniform rate of 8 per cent. *ad valorem*) now applicable to British goods.

I have, &c.
(Signed) R. GIFFEN.

No. 12.

Earl Granville to the Earl of Dufferin.

(No. 48. Commercial.)

Foreign Office, May 29, 1882.

My Lord,

IN your despatch No. 3, Commercial, of the 3rd January you transmitted a work entitled "Législation Ottomane," in Part 5 of which is contained a revised Tariff of customs duties applicable to Austro-Hungarian goods imported into Turkey.

The Tariff in question came into operation in June 1872, and differs in some important respects from the Tariff of specific duties drawn up in 1862 by the Commissioners appointed under the Anglo-Turkish Treaty of the 29th April, 1861.

I have to request your Excellency to ascertain whether the Tariff of 1872 is to be regarded as superseding the Tariff of 1862, or whether there is any authoritative statement as to the existing specific duties (based on the uniform rate of 8 per cent. *ad valorem*) now applicable to British goods.

I am, &c.
(Signed) GRANVILLE.

No. 13.

Mr. Behrens to Sir Charles W. Dilke.—(Received June 1.)

Bradford, May 31, 1882.

Sir,

I HAVE the honour to submit the inclosed copy of a letter received by a Bradford firm from a customer in Turkey, asking whether the Porte has given the twelve months' notice of an intention to demand a revision of the Tariff according to Article XXII of the Treaty of 1861, and, if so, whether Her Majesty's Government has received information with reference to the proposed changes, which, I suppose, will have to be settled by Commissioners jointly appointed by the High Contracting Parties.

The question is of importance to the district, and an early answer will be esteemed a favour by yours, &c.

(Signed) JACOB BEHRENS.

Inclosure in No. 13.

Messrs. Schuster, Fulda, and Co. to Mr. Behrens.

VEUILLEZ vous informer auprès du Board of Trade si le Traité de Commerce entre la Turquie et l'Angleterre, dont la troisième période de sept ans expire le 1er Octobre prochain, a été dénoncé par l'une des deux Parties, et si l'entente n'ayant pas pu se faire jusque-là, soit sur la quotité du droit de douane (qui actuellement est de 8 pour cent), soit pour le Tarif spécifique, il pourrait être prorogé obligatoirement, ou bien si la Turquie aurait le droit dès le 1er Octobre, 1882, d'appliquer les droits qui lui paraîtraient convenables. Ces informations, que nous vous prions de nous transmettre sans retard, et aussi exactes que possibles, nous sont nécessaires pour la transmission de vos ordres en temps opportun, et nous vous prions de les puiser à des sources sûres.

La Porte aurait l'intention de porter à environ 10 pour cent le droit de douane,

au lieu de 8 pour cent. Nous croyons qu'elle ne pourra le faire qu'après s'être entendu avec les Puissances qui ont des Traités avec elle, ce qui n'est pas possible d'ici au 1er Octobre prochain. Ce qu'il nous importe de savoir c'est ceci: les nouveaux Traités n'ayant pas pu être établis sur de nouveaux accords, ni prorogés, la Porte aura-t-elle le droit d'imposer aux marchandises d'importation des taxes supérieures à celles perçues jusqu'ici en vertu de Traités?

Veuillez nous répondre là-dessus après avoir pris l'opinion des personnes compétentes.

No. 14.

Sir Charles W. Dilke to Mr. Behrens.

Foreign Office, June 5, 1882.

Sir,

IN reply to the inquiry contained in your letter of the 31st ultimo, I am directed by Earl Granville to inform you that, according to the terms of the Treaty of the 29th April, 1861, between this country and Turkey, notice to terminate that Treaty cannot now be given before the 1st October next, and that the Treaty itself is not terminable until the 1st October, 1883. The Tariff annexed to it, if notice is given on the 1st September next, is, however, terminable on the 1st March, 1883.

I am, &c.

(Signed) CHARLES W. DILKE.

No. 15.

The Earl of Dufferin to Earl Granville.—(Received July 24.)

(No. 85. Commercial.)

Therapia, July 14, 1882.

My Lord,

I HAVE the honour to inform your Lordship that the Sublime Porte having again in a *note verbale*, dated the 8th instant, denounced the Treaty of Commerce between England and Turkey of the 29th April, 1861, I have replied by referring it to my note of the 20th March last, copy of which was inclosed to your Lordship in my despatch No. 35, Commercial, of the 21st of that month, and by stating that, under the circumstances, it would be useless for me to forward its note of the 8th instant to Her Majesty's Government.

I have, however, the honour to forward, for your Lordship's information, copy of a note which sets forth the bases upon which the Imperial Government will be prepared to treat for new Treaties of Commerce with Great Britain and other friendly Powers.

I have, &c.

(Signed) DUFFERIN.

Inclosure in No. 15.

Saïd Pasha to the Earl of Dufferin.

Le 8 *Juillet*, 1882.

M. l'Ambassadeur,

POUR faire suite à ma communication en date de ce jour je empresse de faire part à votre Excellence des propositions qui, à l'avis du Gouvernement Impérial, devraient servir de base à la formation des nouveaux Traités de Commerce que la Turquie tient à conclure avec la Grande-Bretagne et les autres Puissances amies.

Elles se résument ainsi qu'il suit:—

1. Taxer les marchandises de droits spécifiques à établir sur l'unité soit de poids, soit de volumes, soit de superficie;

2. Dresser un Tarif unique applicable indistinctement aux provenances de tous les pays et soumettant la bijouterie et l'orfèvrerie à des droits spécifiques ne dépassant pas 3 pour cent et gradués en raison inverse de la valeur, et le reste des articles importés à des droits de deux catégories dont l'un plus leger et l'autre plus élevé, mais ne dépassant pas 20 pour cent;

3. Augmenter les droits de douane qui grèvent les vins et le spiritueux en proportion de droits d'accise qui seraient établis sur les articles similaires Ottomans;

4. Se réserver d'établir le monopole sur les cartes à jouer et sur les allumettes;

5. Supprimer le droit de transit et accorder la faculté d'entrepôt réel et, à défaut d'établissement de ce genre, celle d'entrepôt fictif conformément à des règlements à édicter;

6. Maintenir la perception des droits de phares, d'ancrage, et de quarantaine et se réserver la faculté d'imposer sur tout article des droits d'embarquement et de débarquement exclusivement affectés à la dépense des établissements nécessaires au port d'importation et d'exportation.

7. Faire acquitter les droits en medjidié d'or à raison de 100 piastres.

En priant votre Excellence de vouloir bien porter ses propositions à la connaissance du Gouvernement de Sa Majesté la Reine, je me plais à espérer qu'il voudra bien les accepter comme base de nos négociations prochaines pour la conclusion d'un nouveau Traité de Commerce entre les deux États.

Veuillez, &c.

(Signé) SAÏD.

No. 16.

Earl Granville to the Earl of Dufferin.

(No. 62. Commercial.)

Foreign Office, July 29, 1882.

My Lord,

I HAVE received your Excellency's despatch No. 85, Commercial, of the 14th instant, respecting the desire of the Porte to negotiate a new Commercial Treaty with Great Britain; and, in reply, I have to inform you that I approve your action as therein reported.

I have to request your Excellency to obtain from Mr. Consul Wrench a Report on the bases of negotiation proposed in the note from the Porte inclosed in your above-mentioned despatch, and to communicate to him my authorization to consult confidentially on the subject with the principal British merchants.

It is desirable that this Report should be drawn up at Mr. Wrench's early convenience; I have also to request that, in forwarding the Report, your Excellency will furnish me with your observations on the proposals.

I am, &c.

(Signed) GRANVILLE.

No. 17.

The Earl of Dufferin to Earl Granville.—(Received July 31.)

(No. 87. Commercial.)

Therapia, July 19, 1882.

My Lord,

IN reply to your Lordship's despatch No. 48, Commercial, of the 29th May last, inquiring whether the Austro-Hungarian Tariff of 1872 is to be regarded as superseding the Anglo-Turkish Tariff of 1862, or whether there is any authoritative statement as to the existing specific duties (based on the uniform rate of 8 per cent. *ad valorem*) now applicable to British goods, I have the honour to transmit herewith copy of a despatch from Mr. Fawcett, which I trust will be found to contain the information required by your Lordship.

I have, &c.

(Signed) DUFFERIN.

Inclosure in No. 17.

Consul-General Fawcett to the Earl of Dufferin.

Constantinople, July 14, 1882.

My Lord,

IN reply to your Lordship's despatch of the 23rd ultimo, inclosing one from Lord Granville, requesting information respecting the Treaty of Commerce between Great Britain and Turkey and the Tariff of 1862, also on the Tariff of 1872 applicable to Austro-Hungarian goods, I have the honour to state that as far as I can discover the Austro-Hungarian Tariff does not supersede that of 1862. Her Majesty's Government, at the end

of seven years from that date, had the right to revise the Tariff, of which, however, they did not avail themselves, and consequently the Tariff of 1862 is still in force.

I am also informed that each country arranged a separate Tariff, and consequently the most-favoured-nation clause would scarcely apply to the new Austro-Hungarian Tariff.

I am also informed that within the last month the Ottoman Porte has denounced the Treaty of 1862, and therefore a new arrangement must be come to if my information is correct.

I beg to return the Foreign Office despatch and its inclosures.

I have, &c.
(Signed) J. H. FAWCETT.

No. 18.

Sir Charles W. Dilke to Mr. Giffen.

Foreign Office, August 5, 1882.

Sir,

WITH reference to the inquiry contained in your letter of the 24th May relative to the Turkish Tariff, I am directed by Earl Granville to transmit to you a copy of a letter from Mr. Consul-General Fawcett containing an explanation on the subject.*

I am to add, with respect to the last paragraph of Mr. Fawcett's letter, that although the Porte has announced an intention of terminating the Commercial Treaties now in force between Turkey and foreign Powers, the date for giving formal notice to terminate the Treaty of 1862 with Great Britain has not yet arrived.

I am, &c.
(Signed) CHARLES W. DILKE.

No. 19.

Earl Granville to the Earl of Dufferin.

(No. 65. Commercial.) *Foreign Office, August* 9, 1882.

My Lord,

WITH reference to my despatch No. 62, Commercial, of the 29th ultimo, I have to state that Mr. Wrench has since called at this Office, and has spoken on the subject of the proposed revision of the Turkish Tariff.

I leave to your Excellency's discretion either to await Mr. Wrench's return to Constantinople before acting on my above-mentioned despatch, or to proceed otherwise, according as you may think advisable.

I am, &c.
(Signed) GRANVILLE.

No. 20.

The Earl of Dufferin to Earl Granville.—(Received October 20.)

(No. 100. Commercial.) *Therapia, October* 9, 1882.

My Lord,

IN my despatch to your Lordship No. 85, Commercial, of the 14th July I had the honour to inform your Lordship that the Sublime Porte had again addressed a note to this Embassy denouncing the Treaty of Commerce between England and Turkey of the 29th April, 1861; but that I had stated to them, in reply, that, as I had already informed the Sublime Porte that notice for the cessation of the Treaty in question could not be given before the 1st October of the present year, it would be useless for me to forward their note to Her Majesty's Government.

At the same time, however, I transmitted to your Lordship in my above despatch another note from the Sublime Porte, received on the same day, setting forth the bases on which the Ottoman Government would be prepared to negotiate new Treaties of Commerce with Great Britain and other friendly Powers.

I have now the honour to transmit herewith, for your Lordship's information, copies

* Inclosure in No. 17.

of two further notes I have received from the Sublime Porte, dated the 27th and the 30th ultimo respectively.

In the first of these notes the Sublime Porte expresses its regret that it is unable to share the opinion of Her Majesty's Embassy as to the date on which the denunciation of the Treaty should take place, and sets forth its own views on that head. In the second, which was received by me on the 1st October, it again officially denounces the Treaty, but adds that it nevertheless maintains the validity of the first denunciation made by the Ottoman Government on the 8th July last.

I have, &c.
(For the Earl of Dufferin),
(Signed) F. M. SARTORIS.

Inclosure 1 in No. 20.

Note Verbale.

Sublime Porte, le 27 *Septembre,* 1882.

LE Ministère des Affaires Étrangères a eu l'honneur de recevoir la note verbale que l'Ambassade de Sa Majesté Britannique a bien voulu lui adresser le 16 Juillet dernier, relativement au Traité de Commerce Turco-Anglais.

Dans cette note l'Ambassade Royale soutient que l'avis de la cessation du dit Traité ne saurait être donné avant le 1er Octobre de l'année courante, et croit, par conséquent, inutile de communiquer à son Gouvernement la dénonciation faite à la date du 8 Juillet dernier.

La Sublime Porte regrette de ne pouvoir partager cette manière de voir. L'Article XX, qui a pour objet de fixer la durée du Traité ainsi que les époques auxquelles il peut être dénoncé, stipule textuellement que le Traité sera en vigueur pour vingt-huit ans à partir du jour de l'échange des ratifications, mais que "chacune des deux Parties aura la faculté de faire savoir à l'autre . . . . . à l'expiration de la vingt et unième année, si elle a le projet . . . . . de le faire cesser," &c.

La date à partir de laquelle doivent courir les vingt et une années à l'expiration desquelles le Traité pourra être dénoncé ne saurait être autre que celle à laquelle ce même Traité est entré en vigueur, à savoir, l'échange des ratifications; aucune autre interprétation de la clause susvisée n'est possible.

L'Ambassade de Sa Majesté Britannique semble vouloir se baser sur l'Article XXIII, qui dit: "Le Traité sera mis à exécution à partir du 1er Octobre, 1861;" mais cet Article n'a aucun rapport avec la question de la dénonciation; il a pour but unique de fixer pour des raisons pratiques une date précise à partir de laquelle les droits et privilèges réciproques, déjà acquis aux deux Parties du moment de l'échange des ratifications, commenceraient à être réellement exercés. En d'autres termes, l'Article XXIII n'a pas pour objet de fixer le moment auquel le Traité doit entrer en vigueur, mais la date à laquelle il doit être mis à exécution. Donner à ce point une interprétation différente, ce serait admettre dans la rédaction des Articles XX et XXIII une contradiction qui ne saurait exister dans un acte international de cette importance.

Le Ministre des Affaires Étrangères aime à croire que l'Ambassade de Sa Majesté Britannique reconnaissant la justesse des arguments qui précèdent, voudra bien se rallier à la manière de voir de la Sublime Porte, et faire à qui de droit les communications nécessaires en conséquence.

Inclosure 2 in No. 20.

Saïd Pasha to the Earl of Dufferin.

Sublime Porte, le 30 *Septembre,* 1882.

POUR faire suite à sa note verbale du 27 Septembre, le Soussigné, Ministre des Affaires Étrangères de Sa Majesté Impériale le Sultan, a l'honneur de déclarer à son Excellence Lord Dufferin, Ambassadeur de Sa Majesté la Reine de Royaume Uni de Grande-Bretagne et d'Irlande, qu'il dénonce par la présente le Traité de Commerce conclu entre les deux pays le 29 Avril, 1861, et dont les ratifications ont été échangées le 9 Juillet de la même année.

En faisant cette nouvelle dénonciation qui n'a lieu qu'en provision de toute éventualité, le Soussigné a l'honneur d'ajouter qu'il maintient la validité de la dénonciation du 8 Juillet, 1882, et des conséquences qui en découlent.

Le Soussigné, &c. (Signé) SAÏD.

No. 21.

Earl Granville to the Earl of Dufferin.

(No. 75. Commercial.)
Foreign Office, October 30, 1882.

My Lord,

I HAVE to acknowledge the receipt of your Excellency's despatch No. 100, Commercial, of the 9th instant, and, in reply, I have to request that you will inform the Porte that Her Majesty's Government accept the notice for the termination of the Treaty of the 29th April, 1861, given in Said Pasha's note of the 30th ultimo, it being clearly understood that the previous notice is withdrawn, and that the present notice given on the 30th September, whereby the Treaty will lapse on the 1st October, 1883, is finally accepted as valid and binding on both Governments.

I have, at the same time, to point out to your Excellency that it is important that no time should be lost in replacing by a fresh Treaty the Treaty of 1861, which is now about to expire.

In my despatch No. 62, Commercial, of the 29th July I called for a Report by Mr. Wrench on the preliminary proposals of the Turkish Government. This Report has not yet been received, and I shall be glad to obtain it as soon as possible. In the meanwhile, in order to commence negotiations, you are authorized to take the necessary steps to place him in communication with the proper Turkish authorities with the view to ascertain without delay and to discuss the formal proposals of the Porte. Apart from instructions on matters of detail, with respect to which I am unable, until more fully informed, to give directions, it is to be borne in mind that complete most-favoured-nation treatment should be secured for British subjects, commerce, and navigation in the new Treaty, and during the interval, if through any circumstances an interval shall intervene, between the date when under the present notice the Treaty of the 29th April, 1861, will expire, and the new Treaty will come into operation.

I am, &c.
(Signed) GRANVILLE.

No. 22.

Viscount Lyons to Earl Granville.—(Received November 1.)

(No. 348. Commercial.)
Paris, October 30, 1882.

My Lord,

I HAVE the honour to transmit to your Lordship a despatch from Mr. Crowe on the subject of preparations on the part of the French Government for obtaining some modifications of the Turco-French Commercial Treaty of 1861.

I have, &c.
(Signed) LYONS.

Inclosure in No. 22.

Mr. Crowe to Viscount Lyons.

(No. 4.)
(Extract.*)
Paris, October 30, 1882.

I LEARN that the French Government are making preparations for obtaining some modifications of the Treaty of Commerce of 1861 between France and Turkey, and that they are alive to the necessity of proposing these modifications before the 29th April, 1883, at which date the limit of twenty-one years, fixed by the Treaty for a revision, expires. I have not ascertained as yet what the precise modifications are which the French Government desire to introduce.

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* The rest of the despatch referred to another matter.

No. 23.

*Earl Granville to Mr. Wyndham.**

(No. 77. Commercial.)
Foreign Office, November 3, 1882.

Sir,

I TRANSMIT herewith, for your information, a copy of a despatch from Her Majesty's Commercial Attaché at Paris on the subject of the Franco-Turkish Commercial Treaty of 1861.†

I am, &c.
(For Earl Granville),
(Signed) CHARLES W. DILKE.

No. 24.

Mr. Wyndham to Earl Granville.—(Received November 13.)

(No. 105. Commercial.)
Constantinople, November 7, 1882.

My Lord,

I HAVE the honour to acknowledge the receipt of your Lordship's despatch No. 75, Commercial, of the 30th ultimo, and to inclose copy of a note which I have this day addressed to the Sublime Porte on the termination of the Treaty of Commerce between Great Britain and Turkey of the 29th April, 1861. As soon as I receive the requisite assurance from the Porte, I will take steps to place Mr. Wrench in communication with the proper authorities with a view to ascertain and to discuss the proposals of the Turkish Government for a new Treaty.

In the meantime, I have called upon Mr. Wrench to furnish the Report desired by your Lordship with as little delay as possible.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 24.

Note Verbale.

Constantinople, November 7, 1882.

HIS Excellency the Earl of Dufferin duly forwarded to Earl Granville the *note verbale* of the Sublime Porte, dated the 30th September last, denouncing the Treaty of Commerce between Great Britain and Turkey of the 29th April, 1861.

Mr. Wyndham has now the honour to state that Her Majesty's Government accept the notice for the termination of the said Treaty as given in the above-mentioned note, on the clear understanding that the previous notice is withdrawn, and that the notice given on the 30th September last, whereby the Treaty will lapse on the 1st October, 1883, is finally accepted as valid and binding on both Governments. Her Majesty's Chargé d'Affaires therefore requests the Sublime Porte to be so good as to furnish him with an assurance to the above effect.

No. 25.

Mr. Meade to Sir Charles W. Dilke.—(Received November 17.)

Sir,

Downing Street, November 16, 1882.

I AM directed by the Earl of Kimberley to transmit to you a copy of a despatch from the High Commissioner of Cyprus respecting the supposed intention of France and Turkey to negotiate a new Commercial Treaty; and I am to observe that if such a Treaty is in contemplation, Lord Kimberley would be glad to be informed, with a view to considering the questions which may arise thereupon in connection with the commerce of the Island of Cyprus.

I am, &c.
(Signed) R. H. MEADE.

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* Also to Mr. Lascelles (No. 23).

† Inclosure in No. 22.

Inclosure in No. 25.

Sir R. Biddulph to the Earl of Kimberley.

Government House, Mount Troödos, September 1, 1882.

My Lord,

IN the course of conversation a few days ago the French Consul mentioned that his Government were about to conclude a new Commercial Treaty with Turkey, and he asked what course we intended to pursue in Cyprus.

On this subject I beg to refer your Lordship to my despatch No. 408 of the 1st November, 1881.

I have, &c.
(Signed) ROBT. BIDDULPH.

No. 26.

Earl Granville to Mr. Wyndham.

(No. 83. Commercial.)

Foreign Office, November 17, 1882.

Sir,

I APPROVE the terms of your note to the Porte of the 7th instant on the subject of the termination of the Treaty of Commerce between Great Britain and Turkey, a copy of which was inclosed in your despatch No. 105, Commercial, of the 7th instant.

I am, &c.
(For Earl Granville),
(Signed) CHARLES W. DILKE.

No. 27.

Sir Charles W. Dilke to Mr. Meade.

Foreign Office, November 21, 1882.

Sir,

IN reply to your letter of the 16th instant, I am directed by Earl Granville to request that you will inform the Secretary of State for the Colonies that his Lordship has been informed by the French Chargé d'Affaires in August last that negotiations were taking place for the revision of the French Treaty with Turkey of the 29th April, 1861, and the Franco-Turkish Tariff of the 5th December, 1861.

The Turkish Government have also denounced the Commercial Treaty with this country of the 29th April, 1861, and Her Majesty's Government have accepted the denunciation, but as yet they have not received the proposals of the Porte for the negotiation of a new Treaty.

I am to add that Lord Granville will communicate to the Colonial Office any information that may be received from the French Government respecting the commercial negotiations between France and Turkey.

I am, &c.
(Signed) CHARLES W. DILKE.

No. 28.

Mr. Wyndham to Earl Granville.—(Received January 8, 1883.)

(No 129. Commercial.)

Constantinople, December 27, 1882.

My Lord,

I HAVE the honour to inform your Lordship that the Earl of Dufferin, in compliance with the instructions contained in your Lordship's despatch No. 62, Commercial, of the 20th July last, desired Mr. Consul Wrench to furnish a Report on the bases of negotiation proposed in the note from the Porte which was inclosed in Lord Dufferin's despatch No. 85, Commercial, of the 14th July last, and at the same time authorized him to consult confidentially with the principal British merchants here.

I now do myself the honour to forward to your Lordship a copy of a despatch from Mr. Wrench, in which he reports the steps he has taken in pursuance of his orders, together with certain inclosures accompanying it, viz., (1) Turkish bases for a new Treaty

of Commerce; (2) the merchants' queries; (3) the confidential explanation; (4) the Report of the Merchants' Committee; (5) Mr. Wrench's Report; (6) Mr. Wrench's Confidential Report.

In submitting these documents to your Lordship, I venture to express the opinion that great care must be taken not to admit the levying of quay dues, except where proper facilities are afforded for embarking and disembarking goods, and to remind your Lordship that Her Majesty's Government has already protested against a pretension to levy quarantine dues in gold.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 28.

Consul Wrench to Mr. Wyndham.

(Confidential.)

Sir,

Constantinople, December 22, 1882.

I HAVE the honour to return herewith the documents in original forwarded to me in the Earl of Dufferin's despatch of the 24th September last, in which I was instructed to report on the bases of negotiation for a new Commercial Treaty between Great Britain and Turkey, as laid down in the note from the Porte of the 8th July.

As authorized in the above-mentioned despatch, I consulted confidentially the principal British merchants by inviting twenty-six gentlemen, representing every branch of British commerce, to meet me on the 4th October. This meeting resulted in the election, by the merchants present, of a Committee composed of seven of their number, who represented shipping, wines and spirits, colonials, coal, iron, and British textile manufactures.

The task assigned to the Committee consisted in drawing up a Report on the Ottoman proposals, which proposals were further elucidated at their request by an unofficial Memorandum received on the 9th November.

I inclose copies of these documents.

Although dated on the 1st instant, it was not until the 13th that I received the merchants' Report completed, as on studying the one at first prepared I had to call the attention of the Secretary to an important point, on which no observations were made.

I now beg to inclose this Report of the merchants' Committee, together with my own Report, which, although much time has elapsed since the date of Lord Dufferin's despatch, has been prepared with the utmost possible expedition.

I have, &c.
(Signed) WILLIAM H. WRENCH.

Inclosure 2 in No. 28.

Turkish Bases for a new Treaty of Commerce.

TAXER les marchandises de droits spécifiques à établir sur l'unité, soit du poids, soit de volume, soit de superficie.

2. Dresser un Tarif unique applicable indistinctement aux provenances de tous les pays, et soumettant la bijouterie et l'orfèvrerie à des droits spécifiques ne dépassant pas 3 pour cent et gradués en raison inverse de la valeur, et le reste des articles importés à des droits de deux catégories dont l'un plus léger et l'autre plus élevé, mais ne dépassant pas 20 pour cent.

3. Augmenter les droits de douane qui grèvent les vins et les spiritueux en proportion des droits d'accise qui seraient établis sur les articles similaires Ottomans.

4. Se réserver d'établir le monopole sur les cartes à jouer et sur les allumettes.

5. Supprimer le droit de transit et accorder la faculté d'entrepôt réel, et à défaut d'établissements de ce genre, celle d'entrepôt fictif, conformément à des règlements à édicter.

6. Maintenir la perception des droits de phares, d'ancrage, et de quarantaine, et se réserver la faculté d'imposer sur tout article des droits d'embarquement [? et de débarquement] exclusivement affectés à la dépense des établissements nécessaires au port d'importation et d'exportation.

7. Faire acquitter les droits en medjidié d'or à raison de 100 piastres.

Inclosure 3 in No. 28.

Questions asked by the Merchants' Committee in Explanation of Ottoman Proposals for new Commercial Treaty.

ARTICLE 1. Is it the intention to abolish all *ad valorem* duties? If so, how would merchandize which can neither be weighed nor measured be treated, as, for instance, musical instruments, dogs, guns, &c.?

Art. 2. Would it not be possible for the Government to specify the categories of articles on which the 20 per cent. and the lower than 20 per cent. duties would respectively be paid? Would these duties be fixed (specifically) on the basis of to-day's values? What would be the minimum duty which the Government propose to fix on merchandize other than jewellery?

Art. 3. Do the Government reserve to themselves the right of raising the present excise duty on wines and spirits to any point they may deem fit in the future? Are malt liquors to be classified in the category of wines and spirits?

Art. 4. What is meant by an "entrepôt fictif"?

Art. 5. We ask what is meant by "droits d'embarquement," and how do the Government propose to fix such dues? Will they vary according to the value of the article? Is there an intention to charge "droits de débarquement" as well? What is meant by the necessary establishments at the port of "embarcation" or "débarcation"? Do the Government mean the bonded warehouses to be built, or quays, or wharves, or what?

Inclosure 4 in No. 28.

Replies to the Queries addressed by the Merchants' Committee.

LE Gouvernement Impérial est désireux d'abolir la perception des droits *ad valorem* pour toutes les marchandises. Néanmoins, quelques articles pourraient être perçus *ad valorem*.

On ne sera pas embarrassé pour établir le mode de perception.

Les instruments de musique et les fusils, par exemple, seraient taxés au poids, et les chiens payeront par tête, &c.

2. Les matières premières, les matières demi-ouvrées, les céréales, et les machines seront soumises à un droit léger dont le maximum ne dépassera pas 8 pour cent.

Les articles d'une fabrication achevée, les coloniaux, et en général les articles de consommation et de luxe seront soumis au droit plus élevé, dont le maximum ne dépassera pas 20 pour cent.

Les droits spécifiques seraient établis d'après un Tarif à arrêter d'un commun accord entre la Douane et les Missions Étrangères, d'après la valeur actuelle des articles constatés par une Commission Mixte.

3. Le Gouvernement se réserve le droit d'augmenter les droits de douane qui grèvent les vins et les spiritueux en proportion des droits d'accise qui seraient établis sur les articles similaires Ottomans.

4. Les boissons d'orge brassé seront classifiées dans la catégorie des vins et spiritueux.

5. L'entrepôt fictif est un magasin appartenant aux négociants qui sert à déposer les marchandises destinées au transit. La porte de ce magasin à deux clefs, dont l'un se trouve auprès du négociant et l'autre est remise à la Douane. La porte de ce magasin peut être scellée par le négociant et l'autorité Douanière.

6. Par droits d'embarquement on entend le droit à percevoir sur chaque colis qui passe par le quai de la Douane.

Les droits d'embarquement que le Gouvernement se réserve la faculté d'imposer et qui seront affectés à la dépense des établissements nécessaires au port d'importation et d'exportation ne varieront pas selon la valeur de la marchandise. Ils seront uniformes, et pourront être établis d'après une entente entre la Douane et les Missions Étrangères. Le Gouvernement se propose aussi d'imposer des droits de débarquement.

Par établissements on entend les entrepôts de marchandises à construire, les quais, hangars, débarcadères, et autres.

Inclosure 5 in No. 28.

Mr. Whittall to Consul Wrench.

Sir, *Galata, December* 1, 1882.

TWO further meetings of the Tariff Committee have been held to consider the confidential explanations obtained by Mr. Marinich and transmitted to it, and I am now requested by it to give you its views thereon, as follows:—

1. As a general rule we should prefer fixed duties, as they afford fewer occasions for disputes, but as many new articles, not now known, will be introduced in the future, and as a large proportion of present imports vary enormously in values, in cases where such imports cannot be satisfactorily classed under different categories we should advocate *ad valorem* duties, coupled with the right of pre-emption.

We scarcely think, however, that the Turkish Government would consent to this right of pre-emption. If this presumption of ours be correct, we would then advocate that *ad valorem* duties should still be maintained for articles which vary greatly in values, and of which correct classification in categories cannot be made, but with the safeguard already in practice in Egypt, which is that a Committee composed of honourable and competent merchants of different nationalities should from time to time be called, either by the dealers in the articles in question or by the Custom-house, to fix the values of the day upon which the duties shall be levied.

If the Turkish Government, refusing the right of pre-emption altogether, still accept the principle (which now prevails) of duties "in kind," we urge that the present system of levying such duties should be modified, so that the duty to be levied should be the exact percentage fixed upon. To explain: with a 20 per cent. duty, the Government would, under its present system, take in kind 20 out every 100. The importers would thus retain 80, upon which they will have paid 20, *ergo*, paid 25 per cent. duty and not 20 per cent.

2. We recommend a uniform Tariff for all countries, but at the same time care should be taken to discriminate between articles under the same classification which, being the produce of one country, are greatly superior to those of another country; thus, Swiss Turkey red cloths are worth perhaps 35 per cent. more than the same cloths produced in Great Britain; it would not be just, and it would be manifestly detrimental to British interests, if both kinds, although classed under the same category, should have the same duty to pay.

3. We urge that the duty for wines, spirits, and beer should not exceed the charge imposed upon similar native articles, and that timely notice of all alterations should be given.

4. We advocate the acceptance of the principle of bonded warehouses, with this addition, that the merchants should have the right of opening, sorting, and repacking their goods in transit.

As regards coal for sea-going steamers, we recommend that the present system of privileged magazines should remain in force.

As every merchant cannot have a bonded warehouse of his own, and as the present bonded warehouses are notoriously insufficient and unadapted to the work, we urge that pressure be brought upon the Turkish Government to provide better accommodation.

5. No objection would be offered to a reasonable charge being paid upon goods shipped or landed over the Custom-house quays, provided proper facilities existed, but as such do not, we object to any charge being levied, until such facilities are given.

I have, &c.

(Signed) J. W. WHITTALL, *Secretary*.

Inclosure 6 in No. 28.

Report by Consul Wrench on the Ottoman Proposals for Bases of new Commercial Treaty and Tariff.

I WILL report on the proposals of the Ottoman Government, taking them together with the non-official explanations and comparing them with the Report of the merchants' Committee.

Article 1 proposes to tax merchandize with specific duties, and to reduce *ad valorem* duties to a minimum. The merchants support the proposal to base the new Treaty on the

principle of specific duties, but wish to make considerable exceptions in favour of *ad valorem* duties.

I have been at some pains to ascertain the views of the principal importers of British goods from Manchester, Leeds, Bradford, Halifax, Leicester, Dundee, &c., and I think the opinion of the mercantile body, in which I quite agree, may be expressed accurately by the following quotation from a Report drawn up in April 1880, and addressed by a Committee of English traders to Mr. Consul-General Fawcett:—

"If we were in Europe and not in Turkey, or if the administration of the Turkish custom-houses were given over to competent Europeans, invested with full powers, we do not hesitate to say that the best principle to adopt would be the *ad valorem*, coupled with right of pre-emption; but being in Turkey, and seeing no chance of a competent European administration, we reluctantly come to the conclusion that the only system to adopt is, as far as possible, that of fixed duties, to be charged, so far as can be, on the weight of the goods. The arguments which force us to this conclusion are so numerous and so varied that it would take up too much space to enter into them, but at the proper time we shall be prepared to produce them all."

I have also indirectly ascertained that the Ottoman proposals, as well as the explanatory Memoranda, have been drawn up by the German Specialist attached to the Customs Department, in consultation with the most experienced Custom-house official.

I have been informed, confidentially, that these gentlemen advocate a Treaty and Tariff based upon the systems in force in Germany, which is, I believe, similar to that of Austria. They have so far advanced in their preparatory labours that they have nearly completed the draft of a Tariff in which the articles to be taxed with specific duties have been taken from the German Tariff, and the values of each article have been provisionally fixed on a calculation based on the prices of the same articles in the French, German, and Austrian Tariffs. They propose that a Commission, composed of Delegates from all countries, should meet here to discuss the values thus arrived at, and finally adopt those which shall be decided on.

This appears practical, and it will simplify the labours of the European experts to have a basis thus prepared for their consideration. In fact, the aim of the above-mentioned gentlemen, so far as I have been enabled to ascertain it, appears to be to introduce the greatest amount of simplicity possible into the new Treaty arrangements, in order, on the one hand, to protect the revenue from the systematic plunder to which it is now exposed, and, on the other, to exclude all possibility of the misunderstandings and consequent disputes and references which now absorb so much of the officials' time and labour.

With this end in view, they propose to group together analogous fabrics under one common denomination, avoiding as much as possible subdivisions, abandoning all questions of fast and loose colours, of number of colours, and of technical denominations, which questions have proved so prolific a source of embarrassment, and confining themselves to classifying the fabrics themselves: they propose to select the cheapest and most-imported article in each class, to fix the values of these by weight, thus allowing the finer and more expensive selections of the same class of goods to be introduced into the country at the same specified tax as the cheaper varieties.

These gentlemen assert that the Ottoman Customs derive 90 per cent. of the revenue from eighty easily-classified articles. It is these articles, therefore, that are receiving the attention of the Ottoman officials, and the innumerable varieties of imports which yield but the remaining 10 per cent. are being treated *grosso modo*. As the revenue derived from those varieties does not pay the expenses of collection, they are not considered worth the trouble of minute classification, and will be taxed in a liberal spirit, favourable to importers.

Such, I am informed, are the intentions of those now engaged in drafting a new Commercial Treaty and Tariff, and provided no radical change occurs among the superior functionaries of the Custom-house, these views are likely to prevail with the Porte. From an Ottoman point of view, they are eminently practicable and businesslike, but from a British point of view, modifications will be necessary to prevent the cheap and heavy goods of Great Britain being introduced on less favourable terms than those of the same class, but more costly, from foreign countries.

The merchants, in their Report, make a passing allusion to the right of pre-emption. I quite agree with them in thinking that the Ottoman Government would never be induced to admit the principle, on account of the abuses to which it would give rise; but even if admitted, in practice it would be found that the money necessary to purchase the merchandize would never be forthcoming when wanted.

They further advocate the adoption for the Ottoman Empire of the safeguard existing

in Egypt, and consisting of the control exercised by a Committee of competent merchants to decide on the current rates of certain goods. But I would here remark that the conditions are very different. Egypt receives almost the whole of her imports at one large commercial port—Alexandria, and there competent merchants are easily to be found to serve on the Council; but in Turkey, although certain advantages would result from a Board of Reference established at Constantinople, Smyrna, and Beyrout, in short, at the large business centres, such a system would be impossible in any of the minor ports, and would, if introduced, simply conduce to fostering the abuses that already exist.

The last paragraph on Article 1 of the merchants' Report refers to the levying of duty "in kind." This is an objectionable mode of taxation, especially in Turkey, and for many reasons. I will cite one example. The payment of the salaries of the subordinate Custom-house officials is in arrear, and in order to obtain a payment on account, the appraisers place such high values on *ad valorem* goods that the merchant is driven to pay in kind. The articles thus received are sold by auction, bought at low prices by the officials themselves, the price is set off against their wages, and the goods are then put on the market in competition with those imported by the merchant.

If payment in kind is to be introduced at all into the new Treaty, it would not be difficult, perhaps, to overcome the objection to the present way of calculating the number of articles to be taken out of every consignment, by the introduction into the new Treaty of a phrase to the effect that, for every hundred articles withdrawn from the custom-house by the importer, eight (or such a number as may be decided on) similar articles should be retained by the Custom-house. In my Commercial Report for 1878 I discussed this question at length under the head of "Local Impediments to British trade."

Article 2. The merchants' Committee adopt the proposal of the Ottoman Government with regard to the establishment of a uniform Tariff, applicable to merchandize arriving from all countries. Such a Tariff would undoubtedly possess many advantages, and do away with one of the anomalies of the system now in force, under which British goods are introduced by Marseilles, Trieste, or Odessa, according to whether the French, Austrian, or Russian Tariff best suit the interests of the importing merchant; but it is obviously here, as is shown in the Report, that the skill of the British experts on the Tariff Commission will be most severely taxed in view of protecting British against foreign manufactures of the same class; manufacturers will naturally complain of any classification which will not take sufficient cognizance of the diversity of goods produced in Great Britain, and the adoption of a comprehensive scale for the sake of simplicity will naturally act unfavourably on those articles which are heavy and cheap.

Articles 3 and 4 appear to call for no special remark from me.

Article 5. The Ottoman proposal contained in this Article may be considered a valuable concession to the commerce of Europe. It grants in so many words the abolition of all duties on the transit trade, and thus clears away the many grievances which are attached to the present system, and it holds forth a promise for the establishment of bonded warehouses, another facility which has hitherto met with no encouragement on the part of the authorities. The British merchants advocate the acceptance of the principle of bonded warehouses, and urge that pressure be brought upon the Ottoman Government to provide better bonded accommodation. They appear, however, to forget that bonded warehouses in England, and even more so in Scotland, are warehouses established by private enterprise, and licensed by the Customs authorities to receive goods on which no duty is paid, in virtue of the security of a bond or guarantee given by the proprietors of the warehouses to the Custom-house. In England the authorities could never supply a tithe of the store-room required for unpaid duty goods. In principle the necessary shelter is given for merchandize passing through the Custom-house, which are to be freed on their arrival from Customs supervision. So, too, must it be in Turkey, if the proposal under consideration is carried out. Industrial enterprise must establish bonded warehouses, which, being under the direct and constant supervision of the Custom-house, would come under the denomination of "entrepôts réels." With regard to "entrepôts fictifs," any encouragement given towards their creation would be an advantage to importers, as the rate of storage in the "entrepôts réels" will always be a heavy charge on merchandize, and especially on transit goods.

That the custom-house accommodation for goods which do and will pay an immediate tax on arrival is sadly deficient is not to be denied, and it is here that pressure on the Ottoman authorities might with advantage be exercised.

Article 6. The merchants' Committee admit in principle the right of the Custom-house to levy dues on merchandize passing over their quays, but they add the proviso that no charge should be made until certain facilities are granted.

I have on former occasions reported, notably in my Commercial Report for 1876-77,

under the head of "Constantinople Custom-house," that the want of shelter for goods, of suitable stores, of proper appliances for weighing and metage, and of cranes and trucks for the moving of bales, &c., has always been a standing grievance at Constantinople, and I would advocate, should the principle of quay dues be conceded, that a stipulation be made that the payment of these dues at any port in the Empire should not be enforced until the introduction at that port of the necessary appliances for the landing, storing, &c., of imported merchandize.

Article 7 proposes to make the payment of dues in gold medjidiehs of 100 piastres, and the merchants' Committee pass over this proposition in silence. It would appear that the Government contemplate making the gold coinage of the Empire the sole legal tender for the payment of custom-house dues. The exclusion of the silver coinage might produce complaints even at Constantinople, notwithstanding that gold is always to be obtained at a fair rate in the capital; but in the provincial ports, not excepting those of the first importance, such as Smyrna, Beyrout, and Salonica, such is not the case. Gold medjidiehs are there comparatively scarce, and it would not infrequently happen that their acquisition in any quantity would be a burden to the importer, although it might suit local bankers and money-changers. I would therefore suggest that to the Ottoman proposal a paragraph to the following effect might be added:—"Payments may also be made in the silver currency of the Empire, which will be received at the official rate of the port where payment is made."

Before concluding the present Report, I wish to allude to the question of the experts to be selected to co-operate with the Ottoman Commissioners in the compilation of a new Tariff. The British merchants adhere to the opinion they expressed in their Report of April 1880. They therein advocated the sending out from England of men who had studied the statistics of the staple commodities of British trade with Turkey, and who, on arrival, should be placed in communication with themselves. They still maintain that competent experts cannot be furnished by their own body, nor can English experts act without them. Earl Granville, in his despatch of the 2nd June, 1880, forwarded the Report alluded to to Her Majesty's Ambassador, and with respect to the first observation in the Report, which was to the above effect, it was remarked that it would be difficult to find experts in England who would and could give the necessary time to the inquiry.

The merchants consider, therefore, that Her Majesty's Government leans rather to the selection of local experts than to the appointment of gentlemen from England, and it is on this supposition that I wish to observe that it will not be easy to induce those of the local merchants who would be most competent to deal with the complex questions that will arise to accept the office of expert without substantial remuneration. It is stated that the Tariff of 1861 occupied about two years in its compilation, and it is considered that the new Tariff will demand the exclusive attention of the British Commissioners for an extended period, during which they will be obliged to neglect their own interests.

(Signed) WILLIAM H. WRENCH.

Constantinople, December 21, 1882.

Inclosure 7 in No. 28.

Confidential Postscriptum to the Report of Consul Wrench, dated December 21, 1882.

AS it is possible that this Report may be printed, I have transferred to the present Confidential Postscript certain remarks which I had introduced into the body of the Report under Article 5. Were these remarks to be published and thus brought to the notice of the Porte, the authorities might be induced to reconsider their intention of according the privilege of bonded warehouses.

The Ottoman proposal indirectly concedes a point which is of the greatest benefit to traders, namely, that no duties need be paid immediately on the arrival of importations, but would be discharged according to the requirements of merchants. When "entrepôts réels" or "fictifs" are established, merchants, and especially wholesale commission agents, will elect to land their goods into the entrepôts, and will supply their customers wholesale therefrom, paying duty only as they withdraw their merchandize during the space of six months, or of such extended period as may be accorded. The Custom-house may not anticipate this result, but it will be nevertheless inevitable.

The Tobacco Regulations grant a delay of six months during which all tobacco for export may remain in an entrepôt. At the end of that time it must be either exported or the internal tax must be paid upon it. In practice at all the large centres, such as Constantinople, Samsoon, Salonica, &c., merchants declare all their tobacco for export, and

thus enjoy freedom from the burden of the internal duty during six months, or until they have completed a sale. Exactly similar will be the consequence of the proposal now under consideration, and the value of the facility thus offered to trade will be great in a country where money is dear.

But a further advantage may well result from it. A merchant trading with this part of the world might send 100 bales of cotton or other goods, suitable to the trade of Turkey, Russia, Persia, Bulgaria, Roumania, and Servia, for deposit in the entrepôts of Constantinople. Samples might then be dispatched to agents in all the countries I have just mentioned, and the merchant would have a clear six months to find out which would be the best of these different markets for his goods, which could then be supplied, ten bales here and ten there, according to his option. The goods would be in the meantime in exceptional safety, for they would remain absolutely the merchant's property in the bonded warehouse.

Fiduciary facilities upon goods, which now cannot be enjoyed, would also be brought within the reach of traders in Turkey, as the transfer of commodities in the entrepôts would afford an inalienable security to a banker.

(Signed) WILLIAM H. WRENCH.

Constantinople, December 22, 1882.

No. 29.

Memorandum by Mr. Kennedy respecting the Revision of the Commercial Treaty of 1861 *with Turkey.*

IT is necessary to observe, as a preliminary remark, that, under the terms of the Treaty of the 29th April, 1861, between Great Britain and Turkey, the Treaty itself, and the Tariff annexed to it, expire at different dates. According to our contention the date of termination is, for the Tariff, March 1, 1883, and for the Treaty October 1, 1883. The Porte, after some controversy, gave notice for termination on the 30th September last; and Her Majesty's Government could not do otherwise than accept the notice so given as right and sufficient.

When it became evident that the Porte meant to make the denunciation, Lord Dufferin was instructed last July (No. 62, Confidential, July 29) to obtain from Mr. Consul Wrench, who conducts the commercial business of the Consulate-General, and whose Reports show good knowledge and judgment of commercial matters in Turkey, a Report on the bases which it was understood that the Porte would put forward in the forthcoming negotiations; and, further, to authorize him to consult confidentially the principal British merchants in the matter. The Report thus called for has now come; it is Inclosure 6 in Mr Wyndham's No. 129, Commercial, of the 27th December. The state of the case is that a new Tariff is in course of preparation by German specialists employed by the Turkish Government. As far as our information goes, there is no ground for complaint as to the manner of proceeding, and it is implied that the new Tariff will be communicated to the Powers, and that time will be allowed for its consideration.

The dangers to guard against are that the Porte may act on our contention and suddenly terminate our Tariff on the 1st March; and that these German specialists will frame the new Tariff in a sense adverse to our interests, from being more particularly acquainted with their own trade, and possibly to aid the efforts which are being made to extend German trade in the East.

The British merchants at Constantinople do not seem disposed to work the Tariff questions to be dealt with unless they are paid by Her Majesty's Government, and they also recur to a suggestion which they made in 1880, and which was then negatived, that Her Majesty's Government should send out specialists to Constantinople to help them in this matter. Neither of these courses can, however, be taken. The traders concerned should, as in other negotiations, assist on behalf of their own interests, as far as they think proper to do so.

When Lord Dufferin was instructed last July it was premature to bring a complete scheme of action before Lord Granville, but the following course was then talked over with Sir Charles Dilke, as being what it might be advisable in the end to adopt:—

1. Mr. Wrench to obtain full information as to what is proposed at Constantinople, and the views of English merchants.

2. Mr. Wrench to be then summoned home on public service, and to be associated with me as a Commission to communicate in the matter with the commercial associations and persons chiefly concerned. Sir E. Malet and Mr. Gould were associated with me

in this manner in connection with negotiations with Italy and Servia; and Lord Granville sent me to Turkey on a Consular inquiry in 1870, so that I might well act with Mr. Wrench in communications with commercial bodies in this country on this occasion.

3. Mr. Wrench to return as soon as possible to Constantinople with the information thus obtained in England, and to be the Delegate of Her Majesty's Government in any Mixed Commission which may meet at Constantinople on the Tariff question.

4. Merchants to act, as in other negotiations, in furnishing information on behalf of their own interests, as they please and as may be required, but without expense to Her Majesty's Government.

If, under present circumstances, Lord Granville approves this course of proceeding, the steps to be taken would be as follows :—

Two despatches, one for publication, if necessary, and the other secret, to be written to Mr. Wyndham to this effect: To ascertain what the Porte intend as to the duration of our Tariff and Treaty, and the position of the Tariffs and Treaties of other Powers. To suggest that the *status quo* shall be maintained pending definite arrangements, and in the event of the lapse of our Tariff and Treaty before a new Tariff and Treaty can be agreed upon, to insist on complete most-favoured-nation treatment in the interval.

Indicate the points for Mr. Wrench to watch now, and tell him to be quick in his proceedings, and instruct Mr. Wyndham according to heads 1, 2, 3, and 4 above stated.

Write to Treasury to sanction Mr. Wrench's expenses and an allowance of 1*l.* a-day to him while absent from Constantinople. Print the correspondence on the subject.

(Signed) C. M. KENNEDY.

Foreign Office, January 11, 1883.

I quite concur in the course recommended above, and that no delay should take place, as there is certain to be considerable delay in Constantinople at the Porte which will be beyond our control.

E. F.

G.

No. 30.

Mr. Wyndham to Earl Granville.—(Received January 15.)

(No. 3. Commercial.)
(Extract.*)

Constantinople, January 9, 1883.

WITH reference to your despatch No. 77, Commercial, of the 3rd November, in which your Lordship inclosed a despatch from Her Majesty's Commercial Attaché at Paris respecting the modification which the French Government desire to introduce into the Treaty of Commerce of 1861 between France and Turkey, I have the honour to inclose herewith, for your Lordship's information, a copy of a Memorandum on the subject which has been drawn up by M. Marinich, Acting First Dragoman in Her Majesty's Embassy.

This Memorandum contains, as your Lordship will perceive, the text of a note, dated the 25th April last, addressed by the Ottoman Minister of Foreign Affairs to the French Chargé d'Affaires at Constantinople, which gives the modifications which the Ottoman Government, on their side, wish to introduce into the Treaty in question.

Inclosure in No. 30.

Extract from Memorandum by M. Marinich.†

JUSQU'À présent le Gouvernement Français n'est pas fixé sur les modifications à apporter au Traité de Commerce conclu en 1861 avec la Turquie. La question est actuellement à l'étude devant la Chambre de Commerce de Paris. L'Ambassade de France ne croit pas que cette Chambre prenne en considération les propositions Turques, qui sont de 4, 8, 12, 20, et 25 pour cent.

* The rest of the despatch referred to another matter.
† The rest of the Memorandum referred to another matter.

Voici la note adressée le 25 Avril, 1882, par son Excellence le Ministre des Affaires Étrangères de Sa Majesté le Sultan à M. le Chargé d'Affaires de France à Constantinople :—

"Le 29 de ce mois expire la vingt et unième année du Traité qui depuis 1861 régit les relations commerciales entre la Turquie et la France.

"L'expérience acquise pendant ce laps de temps démontre aux yeux de la Sublime Porte la nécessité d'apporter au dit Traité des modifications considérables.

"Il est aujourd'hui constant que l'existence d'un Tarif d'importation spécial pour chaque pays, l'uniformité du droit d'entrée pour toute marchandise importée, la taxation d'après la valeur présumée d'un grand nombre d'articles, et d'autres causes inhérentes aux stipulations de 1861, ont créé un état de choses très nuisible au commerce et empêché toute amélioration dans l'administration Douanière de l'Empire.

"Le Gouvernement Impérial, se prévalant de la faculté que chacune des deux Hautes Parties Contractantes s'est réservée par l'Article XVII, vient proposer au Gouvernement de la République d'introduire dans le Traité de Commerce conclu le 29 Avril, 1861, les modifications suivantes:—

"1. Taxer les marchandises de droits spécifiques à établir sur l'unité, soit de poids, soit de volume, soit de superficie.

"2. Dresser un Tarif unique, applicable indistinctement aux provenances de tous les pays, et soumettant la bijouterie et l'orfèvrerie à des droits spécifiques ne dépassant pas 3 pour cent, et gradués en raison inverse de la valeur, et le reste des articles importés à des droits de deux catégories dont l'un plus léger et l'autre plus élevé, mais ne dépassant pas 20 pour cent.

"3. Augmenter les droits de douane qui grèvent les vins et les spiritueux en proportion des droits d'accise qui seraient établis sur les articles similaires Ottomans.

"4. Se réserver d'établir le monopole sur les cartes à jouer et sur les allumettes.

"5. Supprimer le droit de transit, et accorder la faculté d'entrepôt réel, et, à défaut d'établissement de ce genre, celle d'entrepôt fictif, conformément à des règlements à édicter.

"6. Maintenir la perception des droits de phares, d'ancrage, et de quarantaine, et se réserver la faculté d'imposer sur tout article des droits d'embarquement et de débarquement, exclusivement affectés à la dépense des établissements nécessaires au port d'importation et d'exportation;

"7. Faire acquitter les droits en medjidié d'or à raison de 100 piastres.

"En vous priant, M. le Chargé d'Affaires, de porter ces propositions à la connaissance du Gouvernement Français, je saisis, &c."

Si un arrangement immédiat, ce qui est impossible, n'intervient jusqu'au 29 Avril prochain, le Tarif actuel sera encore en vigueur pour une période de sept ans.

Constantinople, January 4, 1883.

No. 31.

Mr. Wyndham to Earl Granville.—(Received January 23.)

(No. 6. Commercial. Confidential.)

My Lord,

Constantinople, January 13, 1883.

WITH reference to your Lordship's despatch No. 77, Commercial, of the 3rd November last, and to my despatch No. 3, Commercial, of the 9th instant, I have the honour to inform your Lordship that M. de Nonilles, the French Ambassador at this Court, asked me on the 9th instant what was the present state of the negotiations for a new Treaty of Commerce and Tariff between England and Turkey—if, indeed, any had commenced.

I replied that the Turkish Government had denounced the Treaty of Commerce with England, and the Tariff, that I had forwarded to your Lordship a copy of a note from Said Pasha setting forth the bases on which the Ottoman Government wished to negotiate a new Treaty, together with a Report containing the opinion of the leading British merchants here on the Turkish proposals, and that there the matter rested for the present.

I then asked M. de Nonilles what was his opinion as to the proposals of the Porte. His Excellency replied that the French Government would oppose, as much as possible, any modification of their Treaty of Commerce which had been concluded for twenty-eight years, and could therefore not be denounced at present, but that they would be obliged to negotiate a new Tariff, and his Excellency expressed, as his personal opinion, that it would

not be advisable, in dealing with the Tariff question, to admit the principle of articles being taxed up to 20 per cent., as set forth in Article 2 of the Turkish proposals, as, he said, that principle once admitted, the Porte would make out a very long list of articles to be subjected to taxation at that rate. M. de Noailles also expressed the opinion that negotiations carried on collectively by the Porte with Delegates from all the Powers could end in no practical result, owing to the varied and conflicting interests which would be represented at the meeting of those Delegates.

The French Treaty of Commerce was concluded on the 29th April, 1861, for twenty-eight years, but, according to Article XVII, either of the Contracting Powers may propose modifications at the end of the fourteenth or twenty-first year. The Tariff is, however, subject to revision every seven years.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 32.

Earl Granville to Mr. Wyndham.

(No. 11. Commercial.)
Foreign Office, January 23, 1883.

Sir,

I HAVE had under my consideration your despatch No. 129, Commercial, of the 27th ultimo, and the papers which accompanied it, relative to the revision of the Turkish Tariff, and the negotiation of a new Commercial Treaty between Great Britain and Turkey.

In reply, I have to observe that it is desirable to obtain, as soon as possible, more precise information as to the intentions of the Porte with respect to the duration of the existing Tariff and Treaty between this country and Turkey; and as to the proposed alterations in the existing Tariffs.

The course of action which the Porte appears to be pursuing, namely, to frame a revised Tariff under which moderate duties will be levied on a limited number of goods, and to leave free of duty commodities the duty on which would hardly defray the cost of collection, is sound, and is in accordance with the principles on which Customs Tariffs which best attain their object are framed. At the same time, it will be necessary to examine with care the proposed new Tariff, in order to form a correct opinion as to its probable bearing on British trade, and to make representations to the Turkish Government on any points in connection with it where it may be necessary or expedient to do so.

To this end, in the event, which seems to be probable, that the new Tariff and other Treaty arrangements may not be settled until after the period fixed for the termination of the Treaty of the 29th April, 1861, it might be well that it should be agreed at an early date that the *status quo* in commercial matters shall be maintained pending the conclusion of a new Treaty. In the event, however, of the lapse of the Treaty of 1861, and of the Tariff now in force under its provisions, before a new Treaty is concluded Her Majesty's Embassy should continue to act on the instructions conveyed in my despatch No. 75, Commercial, of the 30th October last, and insist on complete most-favoured-nation treatment in the interval.

No answer seems to have been returned by the Porte to the note from Her Majesty's Embassy of the 7th November last, respecting the date of the termination of the Treaty of 1861. It is desirable that no time should be lost in ascertaining the views and intentions of the Turkish Government in the matter; and that Mr. Wrench should, as directed in my above-mentioned despatch, be placed in communication with the proper Turkish authorities in order to commence the preliminary negotiations. He should endeavour to obtain as early as possible a copy of the proposed new Tariff, and enter into such communications with respect to it, as you may then think expedient, with British merchants at Constantinople.

With regard to the employment of specialists in this negotiation, I have to observe that there does not seem to be any sufficient reason to depart from the usual rule in this respect in commercial negotiations, namely, that merchants and other persons concerned should act in the matter on behalf of their own interests as they may be disposed, and without expense to Her Majesty's Government.

I am, &c.
(Signed) GRANVILLE.

No. 33.

Earl Granville to Mr. Wyndham.

(No. 12. Commercial. Confidential.)
Foreign Office, January 23, 1883.

Sir,

IN requesting your careful and early attention to my preceding despatch, I have to offer the following observations on certain matters connected with the Commercial Treaty between Great Britain and Turkey.

According to the dates of termination recognized by Her Majesty's Government, the Tariff is terminable on the 1st March, and the Treaty itself on the 1st October, next.

It may be inferred, however, from the note of the Turkish Government dated the 30th September last, that the Porte contemplates the termination of both the Tariff and Treaty at the same date. This is a point which requires cautious action on the part of Her Majesty's Embassy.

It would obviously be extremely inconvenient to trade were the Tariff under which British goods are now introduced into the Ottoman Empire to be suddenly altered on the 1st March.

The best course would be that the Representatives of the principal Powers should agree to urge the Porte to allow the *status quo* as regards trade to continue until all the Tariffs under revision will terminate; and to introduce a new Tariff to be applicable to the commerce of all the Powers concerned, at a date which might be now fixed, but which will allow sufficient time for this new Tariff to be duly prepared, to be communicated to and examined by the Governments interested, and, as finally adopted, to become known to merchants before it takes effect. You may be able, after consultation with Mr. Wrench, to make a suggestion as a date of this nature to the Porte and to foreign Representatives.

As regards the new Tariff which it appears is now being framed by German specialists, it is to be borne in mind that these specialists may not be favourably disposed to the interests of British trade. It is likewise to be remembered that considerable efforts are now being made to extend German trade in Eastern Europe and the Levant, at the expense of that of other countries.

It would therefore be useful if Mr. Wrench, as suggested in my previous despatch could obtain a copy of the proposed new Tariff, and, if possible, while it is still in a preliminary stage, in order that suggestions as to classification of goods and rates of duty may be made before it is formally adopted by the Customs authorities.

Owing to the dates at which the Treaty and the Tariff expires, and the dilatoriness of the Turkish Government, it will not escape your attention that it is necessary to take immediate action in this matter, in order to an early and satisfactory settlement of the questions involved, whether by the conclusion of a new Conventional Tariff or otherwise.

I am, &c.
(Signed) GRANVILLE.

No. 34.

Earl Granville to Mr. Wyndham.

(No. 13. Commercial.)
Foreign Office, January 27, 1883.

Sir,

I HAVE to acknowledge the receipt of your despatch No. 6, Commercial, of the 13th instant, reporting a conversation which you had held with M. de Noailles on the subject of the negotiation by the Porte of new Commercial Treaties.

I have to request that, when you have an opportunity, you will endeavour to ascertain his Excellency's opinion as to the precise dates when the French Treaty of Commerce with Turkey, and the Tariff annexed to it, are terminable, and what course it is intended to pursue.

I am, &c.
(Signed) GRANVILLE.

No. 35.

Mr. Wyndham to Earl Granville.—(*Received February* 5.)

(No. 18. Commercial.)

Constantinople, January 29, 1883.

My Lord,

WITH reference to my despatch No. 105 and to your Lordship's despatch No. 83 of the 7th and 17th November respectively, marked Commercial, I have the honour to inclose copy of a *note verbale* in reply to my note of the 7th November last, in which the Porte accepts the 1st October next as the date for the expiration of the Commercial Treaty between Great Britain and Turkey.

I have also the honour to inclose copy of a note which, on the receipt of the assurance contained in the above-mentioned communication from the Porte, I addressed to the Minister for Foreign Affairs, requesting his Excellency to be so good as to inform me with whom it would be agreeable that Mr. Wrench should discuss the proposals of the Turkish Government for a new Treaty of Commerce. I was instructed to do this in your Lordship's despatch No. 75, Commercial, of the 30th October last, but I thought it prudent to get the question as to the date of the expiration of the Treaty settled in the first place, and I do not believe that the negotiations have been in any way retarded, as according to trustworthy information which I have received, the Government are by no means prepared with their scheme for a new Tariff.

I have the honour to inclose herewith, for your Lordship's information, an extract from the "Eastern Express" of the 16th instant, which I am assured gives an exact account of the labours of the Commission charged with drawing up the Tariff, and which are not likely to be concluded, I am told, for some months.

Under these circumstances, and as the British Tariff expires on the 1st March, I should be glad if your Lordship would instruct me as to whether I should apply for a prolongation of its term of duration pending negotiations for a new one.

I have, &c.

(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 25.

Note Verbale.

LE Ministère des Affaires Étrangères a reçu la note verbale que l'Ambassade de Sa Majesté Britannique a bien voulu lui adresser le 7 Novembre dernier relativement au Traité de Commerce Turco-Anglais.

Dans cette note l'Ambassade de Sa Majesté la Reine, tout en faisant part de l'adhésion de son Gouvernement, à l'avis de la cessation du dit Traité, demande que le Gouvernement Impérial déclare, de son côté, que le principe d'après lequel cet acte expire le 1er Octobre, 1883, est finalement accepté comme valable et liant les deux Gouvernements.

Bien que les arguments développés dans la note verbale du Ministère Impérial en date du 27 Septembre dernier aient clairement établi la question de date, la Sublime Porte, considérant le laps de temps relativement minime sur lequel porte la divergence de vue, consent, par déférence pour le vœu exprimé par le Gouvernement de Sa Majesté Britannique, à accepter le 1er Octobre comme la date de l'expiration du Traité de Commerce Turco-Anglais.

Sublime Porte, le 24 *Janvier*, 1883.

Inclosure 2 in No. 35.

Mr. Wyndham to Aarifi Pasha.

Constantinople, January 27, 1883.

M. le Ministre,

I HAVE the honour to acknowledge the receipt of the *note verbale* of the Sublime Porte, dated the 24th instant, accepting the 1st October next as the date for the expiration of the Treaty of Commerce between Turkey and Great Britain.

With a view to commencing negotiations for a new Treaty, I have the honour to inform your Highness that I am authorized to take the necessary steps to place Mr. Wrench, Her Majesty's Consul at Constantinople, in communication with the proper

Turkish authorities, and I therefore request your Highness to be so good as to inform me with whom it will be agreeable to the Sublime Porte that Mr. Wrench should discuss its proposals for a new Treaty of Commerce with Great Britain.

I have, &c.

(Signed) HUGH WYNDHAM.

Inclosure 3 in No. 35.

Extract from the "Eastern Express" of January 16, 1883.

THE OTTOMAN CUSTOMS.—The following is the text of an article published yesterday by the "Turquie" on the question of Ottoman Customs, which gives an interesting account of the labours of the Commission appointed to revise existing Commercial Treaties, and to inquire into the state of Imperial Customs generally throughout the Empire:—

"A Commission has been appointed by the Imperial Government to consider certain questions connected with the International Customs duties and the Inland Revenue. This Commission is composed as follows:—Edib Effendi, General Director of Indirect Contributions, President; Portugal Effendi, Edwards Effendi, Ohannes Effendi Sakiz, Bertram Effendi, and Rushdi Effendi.

"The Commission, first of all, proceeded to consider the demand of Servia to negotiate a Commercial Treaty with Turkey. For political reasons the Imperial Government have deemed it expedient to adjourn the decision of this question. It has further been unanimously decided to postpone the consideration of the complaints of Roumania, alleging that Roumanian products entering Turkey are subjected to higher rates of duty than those coming from Russia. The reason of this decision is that the Treaty of Commerce with Russia may be revised at the end of the fourteenth or twenty-first year, and notice has, in fact, already been given to this effect, so that uniform import duties will be established for all countries, including Roumania.

"In so far as the revision of existing Commercial Treaties is concerned, it is stipulated, in the Treaties themselves, that a revision may take place at the end of the twenty-first year, with the exception of those signed with Germany, Austria, France, and Portugal, which can only be modified in so far as experience may have proved it necessary,

"Due notice has even now been given to revise all the revisable Treaties, and it is stated that the Imperial Government is at the present moment negotiating a common understanding to serve as the basis for a universal Commercial Treaty and General Tariff.

"As regards the Tariff, it is believed that the Imperial Government has accepted the basis laid down in the Report of a previous Commission, which consisted of Sabri Pasha, Edib Effendi, Munir Pasha, Mehemet Effendi, Edwards Effendi, Ohannes Effendi Sakiz, Rushdi Effendi, and Parnis Effendi. The Report of that Commission recommended the adoption of a specific Tariff, similar to the one already existing between Austro-Hungary and Turkey for the hardware and crystals of Bohemia. The specific Tariff comprises under one head all similar articles without regard to their different values, the duty being levied in a uniform manner either on the weight or the bulk. According to the Report of the Commission, which has already been laid before the Sublime Porte, the articles of importation will be divided into three categories:—

"The first category will include all jewels and articles in gold or silver, and fine laces, which will pay a duty of 1 to 3 per cent.; this comparatively low duty has doubtless been fixed upon in order to remove all inducements for smuggling.

"The second category includes all raw materials, which will be subjected to a duty of from 3 to 8 per cent., as well as all manufactured articles, used in trade and commerce, which will pay 8 per cent.

"The third category comprises all manufactured goods and fancy articles, which will pay a duty of from 8 to 20 per cent.

"With regard to the Inland Revenue, the Commission recommends that all merchandize sent from one port to another, and which would be subjected to a duty abroad, should pay the 8 per cent. duty at home: it is proposed to gradually relieve all other goods of every kind of tax.

"The Commission concluded its labours by drawing up a series of Regulations for protecting legitimate commerce, and preventing, as far as possible, fraud and smuggling. We are informed that the Commission has appointed two of its members to classify the

different articles of importation, and to inquire into their current prices in order to establish the real value for the purposes of taxation."

No. 36.

Mr. Wyndham to Earl Granville.—(*Received February* 8, 12·45 P.M.)

(Commercial.)
(Telegraphic.) *Constantinople, February* 8, 1883, 11·45 A.M.

THE Porte informs me that the British Tariff is to remain provisionally [? in*] force.

No. 37.

Earl Granville to Mr. Wyndham.

(No. 20. Commercial.)
Sir, *Foreign Office, February* 8, 1883.

I HAVE to acknowledge the receipt of your despatch No. 18, Commercial, of the 29th ultimo, and to inform you that I approve your action as therein reported with respect to the commercial negotiations with Turkey.

The first point to be considered is the question of the Tariff applicable to British goods imported into the Ottoman Empire; and I am glad to learn from your telegram of to-day that the Porte has agreed that it shall remain provisionally in force. A change of Tariff on the 1st of next month would have been very inconvenient to trade, while it would also have been attended with inconvenience to the Turkish Custom-house, as merchants would no doubt claim the application to their goods, on the ground of most-favoured-nation treatment, to which they are entitled till the expiration of the present Treaty on the 1st October, some of one foreign Tariff and some of another. It will therefore be the best course that the present Tariff should be allowed to remain in force pending the negotiations for a new Treaty, and in this manner to avoid disturbing the Customs system under which merchants and exporters have done business during the last twenty years.

I shall address further instructions to you on this point on the receipt of your despatch reporting the terms on which the Porte has agreed to prolong the duration of the British Treaty Tariff.

I am, &c.
(Signed) GRANVILLE.

No. 38.

Mr. Wyndham to Earl Granville.—(*Received February* 13.)

(No. 23. Commercial.)
My Lord, *Constantinople, February* 6, 1883.

WITH reference to your Lordship's despatch No. 11 of the 23rd instant, marked Commercial, I have the honour to report that I had some conversation with M. Göscher, the German legal adviser of the Porte, and who, with others, is at present occupied with the consideration of the proposed new Tariff and Treaties between Turkey and foreign Powers, and that I asked him what his opinion was as to the expiration of the British Tariff, and that he replied that he thought that if it would be agreeable to Her Majesty's Government, the Porte would prolong the Tariff till the Treaty expired on the 1st October next.

On the 3rd instant, I directed Mr. Dragoman Marinich to inquire what the Turkish Government proposed as to the Tariff, and he was informed by the Minister for Foreign Affairs, after consultation with M. Göscher, that an answer would be sent in a few days.

I understand that Edib Effendi, Director-General of Indirect Contributions, is anxious to come to an arrangement with England, as her import trade with Turkey represents £ T. 7,500,000, out of a total of £ T. 17,750,000; and that he thinks that if a Treaty can be concluded with her, other Powers will follow suit.

* Group omitted.

I will endeavour to obtain a copy of the proposed Tariff which the Commission *ad hoc* are preparing, but it must be borne in mind that it may be subjected to many modifications by the Council of Ministers, and that if it is sent to the Palace it may remain there for an indefinite period, and then be sent back to the Porte for further revision.

I venture to suggest that the Turkish Government having denounced the Treaty of Commerce with Great Britain, it will be well to await their proposals for a new Treaty and Tariff, and that if, through these proposals being unacceptable, or through the dilatoriness of the Turkish authorities, no Treaty should have been concluded by the 1st October next, Her Majesty's Government claim for British trade most-favoured-nation treatment under the Treaties and Tariffs which cannot be denounced at present.

I have requested Mr. Wrench to obtain an exact list of Commercial Treaties between Turkey and foreign Powers, and the dates at which they are respectively terminable, and I will forward it to your Lordship as soon as possible.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 39.

Mr. Wyndham to Earl Granville.—(*Received February* 13.)

(No. 24. Commercial. Confidential.)
My Lord, *Constantinople, February* 6, 1883.

WITH reference to my despatch No. 23, Commercial, of to-day's date, Göscher Effendi, in order to illustrate the difficulties he had to contend with in drawing up a Tariff, told me that he had submitted to his Turkish superiors a list of duties on articles in which French trade is interested, and that they had accepted all the increased duties on them, but had struck off all the duties on those articles in which compensation was given to France for the increased rates on the others.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 40.

Mr. Wyndham to Earl Granville.—(*Received February* 13.)

(No. 25. Commercial.)
My Lord, *Constantinople, February* 6, 1883.

THE Italian Ambassador, Count Corti, has informed me that he intends awaiting the Turkish proposals for a new Treaty of Commerce, and that he believes that, owing to the hesitancy and dilatoriness of the Turkish Government, no negotiations will be completed by the 1st October next.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 41.

Mr. Wyndham to Earl Granville.—(*Received February* 20.)

(No. 32. Commercial.)
My Lord, *Constantinople, February* 8, 1883.

WITH reference to my despatch No. 23, Commercial, of the 5th instant, I have the honour to inclose herewith, for the information of Her Majesty's Government, copy of a *pro-memorid* which I received yesterday from the Sublime Porte, stating that the revision of the Tariff regulating the duties on British trade with Turkey, and which forms an integral part of the Treaty of Commerce with Great Britain, will take place on the basis which shall be agreed upon for the renewal of the said Treaty.

The Porte further states that the Government is actively engaged in drawing up proposals for a Treaty in accordance with the general bases which have been communicated to Her Majesty's Government, and that it will make them known to me as soon as

they have been elaborated. In the meantime, and under any circumstances, the Porte intends to maintain the present Tariff provisionally in force.

I did myself the honour of telegraphing on this subject to your Lordship to-day.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 41.

Pro-memorid.

DANS un *pro-memorid* Phonorable Mr. Wyndham exprime le désir de connaître les propositions de la Sublime Porte touchant la révision du Tarif Turco-Anglais.

Ainsi que le Département Impérial a eu l'honneur de le dire par sa note du 11 Mars, 1882, la révision du Tarif actuel qui fait partie intégrante du Traité de Commerce aura lieu sur les bases à arrêter à l'occasion du renouvellement du Traité lui-même.

D'ailleurs, le Gouvernement Impérial a eu l'occasion d'exposer les bases générales sur lesquelles il entend renouveler ce Traité.

Les travaux préparatoires concernant leur application sont poursuivis avec activité, et les propositions de la Sublime Porte seront communiquées à M. le Chargé d'Affaires de la Grande-Bretagne aussitôt que ces travaux auront été achevés. Dans tous les cas le Gouvernement Impérial entend provisoirement maintenir en vigueur le Traité actuel.

No. 42.

Mr. Wyndham to Earl Granville.—(*Received February* 20.)

(No. 33. Commercial. Confidential.)

Constantinople, February 9, 1883.

My Lord,

I HAVE the honour to report to your Lordship, with reference to your despatch No. 13, Commercial, of the 27th ultimo, that M. de Nouilles informed me last night that he should maintain a very reserved attitude with reference to the wish of the Porte to negotiate new Commercial Treaties; that he did not consider there was a Turkish official capable of negotiating a Treaty; and that it would, in his opinion, be much better, if possible, to maintain the *status quo*, as the Turkish Government would only seek to gain advantages at the expense of other nations in the new Tariff, which they are elaborating.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 43.

Mr. Wyndham to Earl Granville.—(*Received February* 20.)

(No. 37. Commercial. Confidential.)

Constantinople, February 10, 1883.

My Lord,

WITH reference to your Lordship's despatch No. 13, Commercial, and to my despatch No. 33, Commercial, Confidential, of the 9th instant, I have the honour to report that I had this afternoon some further conversation with the French Ambassador upon the very complicated question of Treaties of Commerce and Tariffs with Turkey. His Excellency told me that he had been under the impression that the French Tariff expired shortly, but he now thought not, and that it continued, like the Treaty, for another seven years. The Turkish Government, he said, had notified last year, in the month of April, to the French Embassy that they wished to effect certain modifications in the Treaty, and M. de Nouilles informed me that he had yesterday received a telegraphic despatch from his Government stating that they considered that if the modifications demanded by the Turkish Government had not been agreed upon and introduced into the Treaty and Tariff before the 1st/13th March next, both Treaty and Tariff would remain in force for another seven years. His Excellency said he should study the question, and would let me know as soon as he had decided what course he should adopt in the matter. He will doubtless endeavour to induce the Porte to take the same view of it as his Government.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 44.

Mr Wyndham to Earl Granville.—(*Received February* 20.)

(No. 39. Commercial.)

Constantinople, February 13, 1883.

My Lord,

WITH reference to my despatch No. 26, Commercial, of the 6th instant, I have the honour to inclose herewith an article from the "Eastern Express" of yesterday's date, containing some interesting observations upon the Statistical Returns which I forwarded to your Lordship in my above-mentioned despatch.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 44.

Extract from the "Eastern Express."

THE FOREIGN TRADE OF TURKEY.—The Turkish Custom-house has just issued an interesting Return of the importations and exportations for the year 1296, Turkish era (1880-81). We may hail this Return as a happy indication of the intelligence which, at present, presides over that important Department of Turkish finance, and sincerely hope that we may soon be put in possession of those concerning the two succeeding years. As it is only by such statistics that a reliable estimate can be formed of the real condition of the commerce of the country, we think it may be useful to communicate briefly the truths told by the return of 1296.

There is striking evidence of a disastrous year. Essentially an agricultural country, Turkey depends largely for the import of gold upon her exports of food. But in 1880-81, not only did she get no foreign gold from that source, but she imported very largely for the sustenance of her own population. Thus we find that, while she exported only £ T. 600,000 worth of food, she imported to the value of £ T. 3,600,000 of breadstuffs. The sufferings which such a state of things represent are painful to think of. The majority of cultivators had no food to sell; on the contrary, they had to purchase the necessaries to keep themselves in life, either by borrowing at exorbitant rates, or by selling off some of their live stock. A second such year would have found them unable to borrow at any cost, and therefore obliged to deprive themselves, for existence, of the means of husbandry. The Greek islanders have an expressive way of describing this last extremity as the "breaking of the wheel"—it can no longer revolve, and loses all power of motion. In a general way, we know that the extensive importations of grain ceased in the year after, but what was the extent of the country's recovery we cannot yet precise. Hence, it is with the utmost interest that we wait the statistics for the year 1881-82. One thing is certain, that the country had a near shave of wide-spread ruin in 1881.

The Customs evaluation of the exports of the Empire during 1296 is £ T. 8,497,053, to which we must add the value of 6,958,531 okes of tobacco, which did not pay duty. With this addition we may fix the exports at £ T. 9,300,000.

The following are the leading exports:—

	£ T.
Raisins	998,558
Tobacco	810,000
Raw silk	836,505
Opium	447,618
Valonia	377,253
Olive oil	347,676
Coffee	346,852
Cotton	289,510
Figs	225,235
Sheep and goat skins	224,514
Sesame	205,165
Soap	199,474
Wheat	219,022

Only six other articles exceed £ T. 100,000; the rest are all below that amount.

The exports of Turkey tell a sad tale of the backward condition of the country. The following rough comparisons will serve to show how unprofitable is the labour of the population, as compared with the little States around her, and with the most backward in civilisation of the European family:—

	Value of Exportations.	Population.	Exportations per Head of Population.
	£ T.		
Turkey	9,300,000	16,000,000	0·58
Roumania	6,000,000	4,500,000	1·33
Servia	1,700,000	1,350,000	1·26
Greece	3,300,000	1,450,000	2·27
Russia	70,000,000	87,000,000	0·80

To any one acquainted with the state of the country, the backwardness just shown in Turkey will not be surprising, for, in fact, it is only in the Vilayets of Aidin and Adrianople that the light of civilization has begun to dawn. Elsewhere there are scarcely either railways or roads. Such rich districts as Diarbekir, Sivas, Konieh, and Yusgat are completely isolated from the rest of the world. It is useless to claim from nature the rich harvests of golden corn which these districts are ready to produce; the cost of transport to a port equals the value of the grain in an European market. Travellers cannot go through them without a guard, and the transport of specie costs from 4 to 12 per cent. That a desert should remain arid or that mountain cliffs should be left as a pasture-ground for goats we readily understand, but that, on the very verge of European civilization, lands watered by extensive rivers and overflowing with fertility should lie waste, and an intelligent population be allowed gradually to die off from starvation, is strange as well as sad.

The value of the importations into Turkey during the year 1296 amounted to £ T. 17,847,498, exclusive of those from Egypt. None of these represent, as in other countries, raw material re-exported as manufactured goods, for it may be said that there is scarcely any manufacturing enterprise in Turkey. How little is represented by transit goods is evident from the fact that the import duty of 8 per cent. upon the total importations would amount to £ T. 1,417,799, whereas the actual encashments amount to £ T. 1,322,292. The total value of the transit trade can, therefore, scarcely amount to £ T. 1,000,000. Nor has the country any carrying trade with Europe upon which it makes a profit, as do other countries; hence it may safely be said that, in the year 1296, Turkey lost £ T. 7,000,000 of her fortune, of which certainly not more than £ T. 2,000,000 can have been regained by the profits from her export and transit trade. In such circumstances, it is not astonishing that the Budget of the State showed a colossal deficit, but rather that anything was able to be squeezed of the life-blood of the people.

The following is the distribution of the foreign trade of Turkey with foreign countries, exclusive of tobacco shipments:—

	Value of Imports.	Value of Exports.
	£ T.	£ T.
England	7,403,180	2,751,038
Germany	42,080	2,307
Austria	2,502,831	863,607
Italy	507,063	104,195
Persia	481,961	6,769
Spain	1	10
Sweden	13,491	..
America	231,012	105,525
Belgium	106,143	..
Denmark	5	..
Russia	1,183,603	404,841
Roumania	1,114,782	9,961
Servia	70,212	14,905
Holland	17,827	66,471
France	2,698,183	2,902,048
Montenegro	542	387
Greece	394,995	255,644

It will be observed that the import trade with England is about three times greater than that with France or Austria, that the export trade with France is a trifle greater than that with England, and, finally, that with the exception of England, France, Austria, and Russia, the trade with all the other foreign countries is unimportant.

One further remark and I am done. It will have been noticed that the largest article of export is raisins. Considerable quantities of that dried fruit are exported for the manufacture of wine in France. But the wine might be manufactured in Turkey, were it not for the excise duty of 15 per cent. All other civilized countries give a drawback upon exportation. Why should not the same be done in Turkey? It is evident that, with her present defective means of communication, Turkey can only along the seaboard compete with America in grain, but in grape culture, perhaps, no country in the world could compete with her, did not her excise laws create an insuperable obstacle. The question is one deserving the attention of the intelligent statesmen at the head of the Government.

No. 45.

Mr. Wyndham to Earl Granville.—(*Received February* 20.)

(No. 40. Commercial. Confidential.)

My Lord, *Constantinople, February* 13, 1883.

WITH reference to my despatch No. 37, Commercial, Confidential, of the 10th instant, I have the honour to report that M. de Noailles informed me yesterday that the telegram from his Government as to their views with regard to the Tariff was not very clear, and that he had not yet arrived at a conclusion upon the subject. One point, however, was quite certain he said, viz., that the French Treaty of Commerce with Turkey continued for another seven years.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 46.

Earl Granville to Viscount Lyons.

(No. 27. Commercial. Confidential.)

My Lord, *Foreign Office, February* 21, 1883.

I TRANSMIT herewith, for your Excellency's confidential information, copies of despatches from Her Majesty's Chargé d'Affaires at Constantinople reporting conversations which he had had with the French Ambassador at that Court upon the subject of the Franco-Turkish Commercial Treaty.*

I am, &c.
(Signed) GRANVILLE.

No. 47.

Earl Granville to Mr. Wyndham.

(No. 26. Commercial.)

Sir, *Foreign Office, February* 22, 1883.

I HAVE to acknowledge the receipt of your despatch No. 32, Commercial, of the 8th instant, inclosing a copy of a *pro-memoriâ* which you had received from the Porte, stating the intention of the Turkish Government to maintain provisionally in force the present Treaty between Great Britain and Turkey.

I understand this announcement to signify that the Porte will extend the duration of the Treaty of the 29th April, 1861, and of the Tariff of the 7th December, 1861, beyond the 1st October next. But, as I pointed out to you in my despatch No. 20, Commercial, of the 8th of this month, it is advisable, in the interests alike of merchants and of the Ottoman Customs, that there shall be no uncertainty in matters of Tariff; and it would therefore be expedient that the existing Treaty and Tariff shall continue in force pending the negotiations for a new Treaty.

I am willing to leave to your discretion the precise course of action to be pursued; and have to request that you will avail yourself of the first favourable opportunity to propose to the Porte that the duration of the Treaty and Tariff of 1861 shall be prolonged indefinitely during the negotiations for the conclusion of a new Treaty, or, failing this arrangement, that their duration shall be prolonged until the 1st October, 1884. It is

* No. 40, 41, and 43.

quite clear that fresh arrangements cannot be concluded before the 1st October next, and it seems uncertain whether the revision of the Turkish Treaties and Tariffs can be effected within a year after that date; but if the Porte is unwilling to consent at present to a longer extension, the two Governments will be able in the interval to examine, to some extent at least, the questions to be discussed, and to decide on the course to be adopted after the 1st October, 1884.

You are at liberty to state that you are authorized to sign a Declaration to give effect to either of the alternative proposals to be made to the Porte under this instruction.

I am, &c.
(Signed) GRANVILLE.

No. 48.

Mr. Wyndham to Earl Granville.—(Received February 27.)

(No. 43. Commercial.)
Constantinople, February 20, 1883.

My Lord,

I INQUIRED yesterday of Aarify Pasha when the proposed new Tariff which the Turkish Government are elaborating would be ready, and his Highness said that it could not be prepared under a month and a-half or two months. I then pointed out to his Highness that in the interests of trade it would be advisable, if it appeared unlikely that a new Treaty of Commerce and a Tariff could be negotiated between the present date and the 1st October next, to agree upon a prolongation of the present Treaty and Tariff till the 30th September, 1884. His Highness begged me to place my observations before him in writing, and I have therefore sent to him a Memorandum of which the inclosed is a copy.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 48.

Pro-memorid.

MR. WYNDHAM begs to submit to his Highness the Minister for Foreign Affairs, with reference to his conversation yesterday, that it appears unlikely that there will be time to negotiate a Treaty of Commerce and Tariff between the present date and the 1st October next, it would be well, in the interests of the trade of Turkey and England, to agree upon a prolongation of the present Treaty and Tariff till the 30th September, 1884.

Mr. Wyndham would be glad to have the opinion of the Sublime Porte upon this question.

No. 49.

Sir A. Paget to Earl Granville.—(Received February 28.)

(No. 19. Commercial.)
Rome, February 22, 1883.

My Lord,

WITH reference to your Lordship's despatch No. 12, Commercial, of the 15th instant, I have the honour to inform your Lordship that I took an opportunity of speaking yesterday to the Director of the Commercial Department of the Ministry for Foreign Affairs in order to ascertain the views of the Italian Government with respect to the negotiation of a new Commercial Treaty and Tariff with Turkey.

The information which I obtained from M. Peiroleri was to the following effect:—

The Commercial Treaty and Tariff between Italy and Turkey will expire, unless renewed, towards the end of this year. Some months ago a communication was received from the Turkish Government, through their Ambassador in Rome, expressing a desire for certain modifications in the existing commercial arrangements between the two countries. It did not, however, clearly appear from this communication whether the Turkish Government wished to terminate the existing Treaty and negotiate a new one, or whether it was only in the Tariff that they desired modifications, Italian products being

now subject in Turkey to an uniform duty of 8 per cent. *ad valorem*. Count Corti was therefore requested to report on the subject. His Excellency made inquiries at the Ministry for Foreign Affairs, but could get no information, and he therefore made inquiries of the head officials of the Custom-house, who mentioned four or five articles on which it was desired to change the duty.

Count Corti was thereupon directed to suggest that some more specific communication should be made of the views and wishes of the Turkish Government with reference to the Treaty and Tariff, but nothing further, M. Peiroleri said, had been heard, and the position of things was, therefore, completely vague and uncertain.

I have, &c.
(Signed) A. PAGET.

No. 50.

Sir J. Pauncefote to the Law Officers of the Crown and Dr. Deane.

Gentlemen,

Foreign Office, February 28, 1883.

I AM directed by Earl Granville to state to you that the question has arisen as to the position of British subjects and commerce in Turkey in the event of the Treaty of the 29th April, 1861, between Great Britain and Turkey, lapsing before a new Treaty is concluded, and before the Treaties expire which other nations have concluded since or about that date, containing similar conditions.

I inclose a Memorandum on this point by Sir Edward Hertslet;* a volume containing (pp. 41-52) the Treaty of 1861, above referred to, and other Treaties between the Porte and this country, and different European Powers;† and the draft of a despatch, which it is proposed to address to Her Majesty's Chargé d'Affaires at Constantinople,‡ preferring, on the part of Her Majesty's Government, a claim to most-favoured-nation treatment in the event of the Treaty of 1861 lapsing in the circumstances above mentioned.

I am to request that you will take this draft into consideration, and favour Lord Granville, at your early convenience, with your opinion whether a despatch in these terms may properly be sent to Mr. Wyndham, and what alteration, if any, you would suggest in its terms as now proposed.

I am, &c.
(Signed) JULIAN PAUNCEFOTE.

No. 51.

Earl Granville to Mr. Wyndham.

(No. 31. Commercial.)
Foreign Office, March 1, 1883.

Sir,

I APPROVE, under the circumstances stated in your despatch No. 43, Commercial, of the 20th ultimo, the proposal which you made to the Porte in your *pro-memorid* of the same date, that the duration of the Treaty and Tariff of 1861 shall be prolonged until the 30th September, 1884.

I am, &c.
(Signed) GRANVILLE.

No. 52.

Mr. Browning to Lord E. Fitzmaurice.—(Received March 2.)

Chamber of Commerce, Manchester, March 1, 1883.

My Lord,

THE Chamber has been addressed on contemplated alterations in the Tariff of the Treaty between this country and Turkey, deprecating enhanced duties on the import of cotton and woollen textiles, on which it is alleged an advance is proposed of from 8 to 20 per cent.

I am desired by the Directors to request the favour of official information on the present actual position of our Treaty relations with Turkey; and that the opportunity may be given to the Manchester Chamber to express an opinion on any alterations proposed in

* Memorandum, February 7. † Hertslet's Treaties, &c., Turkey. ‡ No. 51.

the duties on goods, the products of the Lancashire district, if the Turkish Government is at the present time negotiating a revaluation for a new Commercial Treaty with this country.

I have, &c.
(Signed) THOS. BROWNING, *Secretary.*

No. 53.

Lord E. Fitzmaurice to Mr. Browning.

Foreign Office, March 5, 1883.

Sir,

I AM directed by Earl Granville to state to you, in reply to the inquiry contained in your letter of the 1st instant, that negotiations have not yet commenced for the revision of the Commercial Treaty between Great Britain and Turkey.

I am further to request that you will inform the Directors of the Manchester Chamber of Commerce that it is intended to consult them at the proper time with respect to proposed alterations in the Tariff annexed to the Treaty.

I am, &c.
(Signed) EDMOND FITZMAURICE.

No. 54.

Mr. Wyndham to Earl Granville.—(Received March 13.)

(No. 51. Commercial.)

Constantinople, March 6, 1883.

My Lord,

WITH reference to my despatches Nos. 37 and 40, Commercial, of the 10th ultimo, I have the honour to inclose herewith, for the information of Her Majesty's Government, an extract from the "Turquie," stating that the French Ambassador has addressed a note to the Porte, announcing that his Government is ready to enter into negotiations with the Turkish Government for the modification of the French Commercial Treaty and Tariff. I have learnt from the Porte that the information contained in the inclosed extract is correct.

The Russian Commercial Treaty and Tariff expires on the 13th (new style) of this month, and no understanding has as yet, I believe, been come to between the Russian Minister and the Porte as to the basis upon which trade between Russia and Turkey is to be carried on after that date.

I have heard upon good authority that the Customs Commission is inclined to prolong all the Commercial Treaties and Tariffs which are on the point of expiring until the 1st March, 1885, with the exception of that with Russia, as it is considered by the Porte as undesirable to do so for fiscal and commercial reasons.

I am, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 54.

Extract from "La Turquie" of February 28, 1883.

M. LE MARQUIS DE NOAILLES, Ambassadeur de la République Française, vient d'adresser une note à la Sublime Porte relativement au Traité de Commerce et au Tarif Turco-Français.

Dans cette note M. le Marquis de Noailles annonce que par ordre de son Gouvernement il est prêt à entrer en négociations avec la Sublime Porte pour arrêter les modifications à introduire dans le Traité et le Tarif en vigueur conformément aux dispositions de ce Traité, qui accorde aux deux Parties Contractantes la faculté de proposer au bout de la quatorzième et de la vingt-unième année les modifications que l'expérience aurait suggérées.

La note ajoute que comme cette négociation ne peut pas être terminée avant le 1/13 Mars prochain, époque à laquelle la vingt-unième année est révolue, il y a lieu de maintenir provisoirement l'ancien régime jusqu'à ce qu'une entente soit intervenue. Le Gouvernement Français se réserve en outre le droit de réclamer pour ses nationaux les

mêmes privilèges qui auraient pu être accordés à d'autres étrangers, et ce sur la base de la clause de la nation la plus favorisée. La note conclut en priant la Sublime Porte de donner sa réponse avant le 1/13 Mars prochain.

No. 55.

Mr. Wyndham to Earl Granville.—(Received March 27.)

(No. 58. Commercial.)

Constantinople, March 19, 1883.

My Lord,

I HAVE the honour to inform your Lordship that a statement appeared recently in the local press to the effect that the Sublime Porte had informed the Representatives of the United States, Belgium, Denmark, Holland, Spain, and Sweden that the Treaties of Commerce concluded between their respective Governments, and which expire on the 14th March, 1884, would not be renewed by the Ottoman Government upon the existing terms.

I have made inquiries on the subject at the Sublime Porte, and I have been informed that the above statement is correct.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 56.

Earl Granville to Mr. Wyndham.

(Commercial.)
(Telegraphic.)

Foreign Office, March 29, 1883, 3·45 P.M.

WHAT has been done as to prolonging duration of British Commercial Treaty with Turkey?

It may be necessary to make a statement on the subject in Parliament.

No. 57.

Earl Granville to Mr. Wyndham.

(No. 44. Commercial. Ext.)

Foreign Office, March 29, 1883.

Sir,

IT is likely that inquiry will be made respecting the present position of commercial negotiations with Turkey. I have, therefore, asked you to-day by telegraph what has been the result of the action taken by you, as reported in your despatch No. 43, Commercial, of the 20th ultimo, and under the instructions contained in my despatch No. 26, Commercial, of the 22nd of last month, with the view to prolong the duration of the Treaty and Tariff of 1861.

I am, &c.
(In the absence of Earl Granville),
(Signed) EDMOND FITZMAURICE.

No. 58.

Mr. Wyndham to Earl Granville.—(Received April 1.)

(Commercial. Confidential.)
(Telegraphic.)

Constantinople, March 31, 1883, 6·4 P.M.

YOUR Lordship's telegram of the 29th instant.

The Porte will not prolong British Treaty and Tariff, although they consider them as favourable, as they do not wish to prolong Russian and other Treaties. I hope to send your Lordship further report as to its intention on Monday.

The Porte considers the present Tariff to be in force till the 30th September next. After a careful examination of the notes from the Porte on the Treaty and Tariff, copies of which have been sent to your Lordship, I find that the Tariff has not been

denounced at the proper time, but only the Treaty, in a note dated the 30th September, received on the 1st October. The Porte, however, considers it as comprising denunciation of the Tariff.

No. 59.

Mr. Wyndham to Earl Granville.—(Received April 2.)

(No. 65. Commercial.)
Constantinople, March 27, 1883.

My Lord,

WITH reference to my despatch No. 43 of the 20th ultimo, I have the honour to report that I have been constantly urging Aarifi Pasha to give me an answer as to my proposal that the Commercial Treaty and Tariff between Great Britain and Turkey should be prolonged till the 30th September, 1884, and having failed hitherto to obtain a definite reply, I sent Sir Alfred Sandison to the Porte yesterday with instructions to press for a favourable solution of the matter at once in order that I might report it to your Lordship by messenger to-day.

In my despatch No. 51, Commercial, of the 6th instant, I informed your Lordship that the Russian Treaty and Tariff expired on the 13th instant (new style), and that I believed that no understanding had been arrived at between Russia and Turkey as to the basis upon which trade between the two Empires was to be carried on after that date, and that I had learnt that the Porte would not prolong it as it considered it prejudicial to the fiscal and commercial interests of Turkey.

M. de Nelidoff has, however, I understand, been pressing the Turkish Government for a provisional prolongation of the Russian Treaty and Tariff on the ground that the Porte had consented to prolong the British Treaty and Tariff, and I am informed that he went so far as to point out in a private letter to Aarifi Pasha that political complications might ensue in the event of the Porte refusing to accede to a prolongation for two months of the Russian Treaty.

Sir Alfred Sandison reported to me last night that he had learnt that the Porte, in order to get out of its difficulties with Russia on this point, was seriously contemplating altering their decision with regard to the British Tariff and annulling it at once. I accordingly drew up a note to the Minister for Foreign Affairs, protesting against any change with regard to the duration of the Tariff, and I am going this afternoon to the Porte to make representations on the subject to Aarifi Pasha.

I have the honour to inclose herewith copy of the note which I addressed to his Highness yesterday evening.

I have also the honour to inclose copy of a note from Aarifi Pasha, announcing that Bertrau Effendi and Mikael Effendi have been appointed to discuss with Mr. Wrench the clauses of a new Treaty of Commerce with Great Britain; but I do not at present purpose placing Mr. Wrench in communication with these officials, as I shall endeavour, in the first place, to settle the point at issue as to the duration of the Tariff.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 59.

Mr. Wyndham to Aarifi Pasha.

Constantinople, March 26, 1883.

M. le Ministre,

SIR A. SANDISON has informed me this evening that the Sublime Porte contemplates a change with regard to the duration of the British Tariff. I therefore have the honour to remind your Highness that I hold a document emanating from your Department which concludes with the following words:—

"Les travaux préparatoires concernant leur application sont poursuivis avec activité, et les propositions de la Sublime Porte sont communiquées à M. le Chargé d'Affaires de la Grande-Bretagne aussitôt que ces travaux auront été achevés. Dans tous les cas le Gouvernement Impérial entend maintenir provisoirement en vigueur le Tarif actuel."

It is, therefore, with extreme surprise that I have learnt that the Porte purpose making any arrangement inconsistant with this assurance, and which, if carried into effect, will produce a very unfavourable impression upon Her Majesty's Government.

I avail, &c.
(Signed) HUGH WYNDHAM.

Inclosure 2 in No. 59.

Aarifi Pasha to Mr. Wyndham.

M. le Chargé d'Affaires,

Sublime Porte, le 24 Mars, 1883.

EN réponse à la note que vous avez bien voulu m'adresser le 27 Janvier dernier, j'ai l'honneur de vous informer que Bertram Effendi, Conseiller de l'Administration Générale des Contributions Indirectes, et Mikael Effendi, Président du Conseil de la même Administration, ont été désignés pour se mettre en communication avec Mr. Wrench, en vue de discuter les clauses du nouveau Traité de Commerce à conclure entre l'Empire et la Grande-Bretagne.

Agréez, &c.
(Signé) A. AARIFI.

No. 60.

Mr. Wyndham to Earl Granville.—(Received April 2, 4·10 P.M.)

(Commercial.)
(Telegraphic.)
Constantinople, April 2, 1883. 1·45 P.M.

MY telegram of 31st ultimo.

If new Treaty and Tariff are not concluded by the 1st October next the Government have decided to levy duties *ad valorem*.

Shall I protest against this decision, and state that Her Majesty's Government claim favoured nation treatment?

The Porte are anxious to commence negotiations for a new Tariff at once. Shall I do so under present circumstances?

No. 61.

Earl Granville to Mr. Wyndham.

(No. 47. Commercial.)
Foreign Office, April 6, 1883.

Sir,

I HAVE to acknowledge the receipt of your despatch No. 65, Commercial, of the 27th ultimo, and to inform you that I approve your proceedings as therein reported with respect to the Commercial Treaty and Tariff of 1861 between Great Britain and Turkey.

I have also received your telegrams of the 31st ultimo and 2nd instant, announcing that the Porte has refused to prolong the duration of these instruments beyond the 30th September next. I must await the receipt of your despatches reporting the details of your recent communications with the Turkish Government before I can supply you with definite instructions on the present position of the question of commercial negotiations with Turkey; but unless there should appear to you to be any sufficient reason to the contrary, it would seem advisable that (as already authorized) you should place Mr. Wrench, without delay, in communication with the proper Ottoman authorities, in order that Her Majesty's Government may obtain full information on these matters.

You may at the same time press the Porte to engage, definitely to accord to this country most-favoured-nation treatment, pending negotiations, in the event of the lapse of the Treaty and Tariff of 1861.

I am, &c.
(Signed) GRANVILLE.

No. 62.

Sir F. Herschell to Sir J. Pauncefote.—(Received April 7.)

My dear Pauncefote,

April 7, 1883.

I INCLOSE a Memorandum on the question of most-favoured-nation treatment for British subjects on the expiration of the Turkish Treaty, which will explain the difficulty which the Attorney-General and I feel.

Yours, &c.
(Signed) FARRER HERSCHELL.

Inclosure in No. 62.

Memorandum.

ARTICLE XVIII of the Capitulations of 1675 contains a provision that "all the Capitulations, privileges, and Articles *granted* to the French, &c., *having been* in like manner granted to the English, *the same* shall be always observed." This no doubt gives the English the right in perpetuity to all the privileges which had been granted to the French, but it does not purport to confer upon the English all privileges which might thereafter be granted to the French or any other Power.

The Treaty of 1838 confirmed, by its 1st Article, all existing Treaties and Capitulations, and conferred most-favoured-nation treatment as regards all rights and privileges *thereafter* as well as those granted to other Powers. Then came the Treaty of 1861. By Article XX of this Treaty it was to be substituted for the Treaty of 1838. It therefore displaced it, and the former Treaty can no longer be relied on. The Treaty of 1861, by its 1st Article, conferred most-favoured-nation treatment in similar terms to the Treaty of 1838. But when the existing Treaty comes to an end it would seem that this provision in the 1st Article, like all the others, ceases to have effect, and we are thrown back upon the state of things which existed prior to 1838, *i.e.*, upon the rights conferred by the prior Capitulations. None of these, so far as I can see, gave the right to most-favoured-nation treatment in respect of future privileges granted to other Powers. And I do not quite see how we can rely upon *usage* as giving us the right to be put on the same footing as other foreigners, as we have enjoyed this treatment from time to time by virtue of express agreement.

(Signed) FARRER HERSCHELL.

April 7, 1883.

No. 63.

Mr. Wyndham to Earl Granville.—(Received April 9.)

(No. 66. Commercial.)

Constantinople, March 31, 1883.

My Lord,

I HAVE the honour to report to your Lordship that the Porte having failed to denounce in a formal manner the Italian Treaty of Commerce and Tariff, the Italian Chargé d'Affaires has addressed a note to the Turkish Government claiming their continuance till the 1st October, 1889.

Both the Treaty and Tariff were terminable on the 1st October next.

I have, &c.

(Signed) HUGH WYNDHAM.

No. 64.

Mr. Wyndham to Earl Granville.—(Received April 9.)

(No. 68. Commercial.)

Constantinople, April 2, 1883.

My Lord,

WITH reference to my despatch No. 65, Commercial, of the 27th ultimo, in which I reported to your Lordship that I had learnt from the Porte that it was unwilling to prolong the British Treaty and Tariff, I have the honour to state that on the afternoon of the 27th ultimo I had interviews on the subject with the Minister for Foreign Affairs and the Grand Vizier. I pointed out to Aarify Pasha that I had duly reported to your Lordship the arrangement which had been come to between his Highness and myself; that your Lordship had expressed your satisfaction with it; but that you were of opinion that it would be desirable, in the interests of merchants and of the Ottoman Customs, that the Treaty and Tariff should be prolonged for a definite period instead of only provisionally; and I pointed out to him that any change from the present arrangement would cause a very unfavourable impression upon Her Majesty's Government and in commercial circles in England, and that it appeared to me to be very impolitic on the part of the Porte, because they had difficulties as to their Treaty of Commerce with Russia, to make difficulties with Great Britain, whose trade with Turkey was far more important than that of any other country.

His Highness expressed to me his regret at what had occurred, but stated that he was afraid the Government could not consent to prolong the Treaty and Tariff with Great Britain even provisionally, as Russia and other Powers would demand the same concession.

I used much the same language to Said Pasha as I had to Aarify Pasha, but his Highness was more explicit in his reply. He stated that the provisional prolongation of the Treaty and Tariff with England agreed upon between his colleague and myself had been arrived at without the knowledge or sanction of the Council of Ministers, and that when that body heard of it it had refused to ratify it. I observed to his Highness that this was a very serious matter, and I begged him to request the Council of Ministers to reconsider their decision, and to bring the matter, in order to avoid delay, before his colleagues on the next day, when the Council was to meet again. I further pointed out to him that if the Treaty and Tariff were not prolonged I could not admit that British trade should be subjected to the same treatment the Porte was imposing upon Russian trade, viz., an 8 per cent. *ad valorem* duty, but that I should, at the expiration of the Treaty, claim most-favoured-nation treatment for British subjects, commerce, shipping, and navigation, unless some other satisfactory arrangement had been arrived at. His Highness stated that he would lay my remarks before the Council of Ministers at once, and towards the latter end of last week I was informed that he had done so, but that the Council had decided to maintain their previous decision.

On the morning of the 31st ultimo, therefore, I begged the Minister for Foreign Affairs to allow me to wait upon him in the course of the day, and I requested him to be so good as to give me a clear and distinct assurance as to how long he considered the British Tariff to be in force. I saw his Highness, accordingly, in the afternoon of the 31st ultimo, with Göscher Effendi, the Legal Adviser of the Porte, whom he had summoned to assist him with information on the subject of my visit. His Highness stated that the Porte considered the British Treaty and Tariff to be in force till the 30th September next; that the Government had decided that it was impossible to prolong them, even provisionally, as Russia and other Powers would at once claim a like concession, and that the Porte would be unwilling to accede to such a request. I told his Highness that it would be much more advantageous to both parties if the Tariff under which British merchants had traded for more than twenty years should be maintained pending negotiations for a new Treaty and Tariff, supposing they were not concluded by the 1st October next; but that, if that could not be agreed upon, my orders were to claim and insist upon most-favoured-nation treatment, to which Great Britain was entitled under the Capitulations.

I am under the impression that the Porte would have made no difficulties to prolonging the British Treaty and Tariff, which it considers favourable, had not Russia put forward a claim for the prolongation of her Tariff, which the Ottoman Government look upon as unfavourable to Turkish interests.

I have, &c.

(Signed) HUGH WYNDHAM.

No. 65.

Mr. Wyndham to Earl Granville.—(Received April 9.)

(No. 69. Commercial.)

Constantinople, April 2, 1883.

My Lord,

WITH reference to my despatches Nos. 65 and 68, Commercial, of the 27th ultimo and 2nd instant respectively, I have the honour to transmit herewith, for the information of your Lordship, the text of the note addressed by M. de Nelidoff to the Porte respecting the prolongation of the Russian Treaty of Commerce and Tariff after their expiration on the 13th ultimo pending negotiations for a new Treaty. I have made inquiries at the Porte as to whether the text of the note, as published, is correct, and I have been assured that it is.

The Porte has declined to accede to the request of the Russian Minister, and Russian commerce is now, I understand, subjected to an *ad valorem* duty of 8 per cent.

I have, &c.

(Signed) HUGH WYNDHAM.

Inclosure in No. 65.

Extract from "La Turquie" of March 29, 1883.

LES TRAITÉS DE COMMERCE.—Voici d'après le "Phare du Bosphore" la traduction [?] de la note adressée par l'Ambassade de Russie dans notre ville à la Sublime Porte sur la question du Traité de Commerce Turco-Russe :—

"En réponse à la note officielle de la Sublime Porte en date du 7 courant l'Ambassade de Sa Majesté l'Empereur de Toutes les Russies, insiste sur le maintien du Traité de Commerce et du Tarif existant actuellement entre les deux Gouvernements, et croit devoir attirer l'attention de la Sublime Porte sur les désagréments sans nombre et les procès interminables qui seraient la conséquence naturelle de l'application provisoire d'un système de taxation *ad valorem* aux importations Russes.

"Le terme pour l'expiration du Traité de Commerce étant très proche et aucun accord n'étant intervenu jusqu'ici, pour la conclusion d'un nouveau Traité, l'Ambassade Impériale pensait que le *statu quo* actuel serait maintenu pour les relations entre les deux pays, ainsi que le veut généralement l'usage dans de pareils cas. Les autorités Russes n'ayant pas été informées en temps opportun des intentions du Gouvernement Impérial Ottoman, il est clair qu'un changement brusque et inopiné des bases sur lesquelles reposent ces relations commerciales amènerait une perturbation complète et une confusion inextricable dans la marche des affaires ; aussi, par ordre du Gouvernement de Sa Majesté l'Empereur de Toutes les Russies, l'Ambassade Impériale croit-elle devoir insister auprès de la Sublime Porte pour la prolongation du *statu quo* jusqu'à la conclusion d'un nouveau Traité entre les deux États, la priant en même temps de transmettre sans délai, en ce sens, les ordres nécessaires aux autorités Douanières de l'Empire Ottoman, au cas où ces autorités auraient déjà reçu communication des changements projetés par la Sublime Porte.

"Veuillez agréer, &c

"*Constantinople, le* 11 *Mars*, 1883."

No. 66.

Mr. Wyndham to Earl Granville.—(Received April 9.)

(No. 70. Commercial.)

Constantinople, April 2, 1883.

My Lord,

WITH reference to my telegram, Commercial, of the 31st ultimo, I have the honour to state that, upon learning that the Porte were not inclined to prolong the Treaty of Commerce and Tariff provisionally, and fearing that it might at any moment annul the Tariff, I examined most carefully all the notes which had been received by Her Majesty's Embassy from the Sublime Porte, as well as your Lordship's instructions on the denunciation of the Treaty and Tariff.

According to your Lordship's instructions, the Tariff could not be denounced before the 1st September last, or the Treaty before the 1st October last, six months' notice being requisite to terminate the former, and a year's notice to terminate the latter.

On the 1st October a note, dated the 30th September, was received by the Earl of Dufferin from the Porte denouncing the Treaty, but making no mention of the Tariff, and up till now no note has been received by me from Aarifi Pasha specially denouncing the Tariff.

I mentioned this fact to Goescher Effendi, the Legal Adviser of the Porte, on the 31st ultimo, in the presence of Aariti Pasha, and he said that he was aware of it, but that the Porte considered the note denouncing the Treaty as comprising the denunciation of the Tariff.

I think it advisable to bring this to your Lordship's notice in case Her Majesty's Government might take a different view of the matter.

I have, &c.

(Signed) HUGH WYNDHAM.

No. 67.

Lord E. Fitzmaurice to Mr. Farrer.

Foreign Office, April 9, 1883.

Sir,

I AM directed by Earl Granville to request that you will inform the Board of Trade that the Porte has declined to accede to a proposal made by Her Majesty's Embassy that the Tariff of the 7th December, 1861, should remain in force after the 30th September next, pending further commercial negotiations between Great Britain and Turkey. It is understood that after that date the Porte proposes to levy customs duties at the rate of 8 per cent. *ad valorem* on British goods imported into Turkey.

I am to suggest that a notification to the above effect should be published forthwith in the "London Gazette."

I am, &c.

(Signed) EDMOND FITZMAURICE.

No. 68.

Lord E. Fitzmaurice to Mr. Farrer.

Foreign Office, April 10, 1883.

Sir,

WITH reference to my letter of yesterday relative to the proposed substitution in Turkey of customs duties on British goods at an uniform rate of 8 per cent. *ad valorem*, in lieu of the Tariff of the 7th December, 1861, I am directed by Earl Granville to state that his Lordship would be glad to learn the opinion of the Board of Trade at their early convenience, whether, and to what extent, the proposed change would be likely to prove advantageous or disadvantageous to British trade with Turkey.

I am, &c.

(Signed) EDMOND FITZMAURICE.

No. 69.

Lord E. Fitzmaurice to Mr. Farrer.

Foreign Office, April 10, 1883.

Sir,

WITH reference to my other letter of to-day, respecting the proposed change in the Turkish Tariff from British goods, I am directed by Earl Granville to transmit to you, for the information of the Board of Trade, a copy of a despatch from Her Majesty's Chargé d'Affaires relative to the failure of the Porte to give proper notice to terminate the Treaty of Commerce and Tariff between Italy and Turkey ;* and a further despatch in which Mr. Wyndham raises a question whether proper notice has been given to terminate the Tariff of 1861 between Great Britain and Turkey.†

I am, &c.

(Signed) EDMOND FITZMAURICE.

No. 70.

Memorandum by Sir E. Hertslet on the Commercial Privileges granted to British Subjects by the Capitulations of 1675.

THE Law Officers say, in their Memorandum of the 7th instant, that "when the existing Treaty (of 1861) comes to an end it would seem the provision in the 1st Article (conferring most-favoured-nation treatment on British subjects and their commerce), like all the others, ceases to have effect, and we are thrown back upon the state of things which existed prior to 1838, *i.e.*, upon the rights conferred by the prior Capitulations."

If this were so, it would appear that British merchants would have a right to claim more favourable treatment than that which they would probably enjoy were they to demand to be put upon the footing of the most favoured nation ; for in the Capitulations it was expressly stated that they should *never* pay a higher import duty on their merchandize than 3 per cent., or a higher export duty than the same amount.

* No. 63. † No. 66.

Art. 34 says:—

"That the English merchants, and other subjects of that nation, shall and may, according to their condition, trade at Aleppo, Egypt, and other parts of our sacred dominions, on paying (according to ancient custom) a duty of 3 per cent. on all their merchandize, without being bound to the disbursement of an asper more."

Article 54 says:—

"That the English merchants having once paid the duties on their merchandize, at the rate of 3 per cent., and taken them out of their ship, no one shall demand or exact from them anything more without their consent."

Article 57 of the "Additional" Capitulations granted to the Earl of Winchelsea enjoins the strict observance of the above stipulations. It says:—

"That notwithstanding it is stipulated by the Capitulations (Articles 34 and 54) that the English merchants, and other subjects of that nation, shall and may, according to their rank and condition, trade to Aleppo, Egypt, and other parts of our Imperial dominions, and for all their goods, wares, and merchandize, pay a duty of 3 per cent. only, and nothing more, according to ancient customs, the customers having molested the English merchants with a view to oppress them, and the subjects of that nation, on their arrival with their goods laden on board their ships, whether conveyed by sea or land, at our ports and harbours, under the pretence of the goods so brought by them not belonging to the English; and that for goods brought from England they demanded 3 per cent. only, but for those brought by them from Venice and other ports they exacted more; wherefore, on this point, let the Imperial Capitulations granted in former times be observed, and our Governors and officers in nowise permit or consent to the same being infringed."

Disputes, however, having still continued to arise, Article 67 of the "Additional" Capitulations granted to Sir J. Finch declared as follows:—

"It being stipulated by the Capitulations (Articles 34, 54, and 57) that the English merchants shall pay a duty of 3 per cent. on all goods by them imported and exported, without being bound to pay an asper more, and disputes having arisen with the customers on this head, they shall continue to pay duty as heretofore paid by them, at the rate of 3 per cent. only, neither more nor less.

There are other Articles which might be alluded to as conferring rights on British merchants; such as their right to re-export unsold goods to another port without payment of duty a second time at the second port (Articles 31 and 36); their exemption from payment of more than 300 aspers for anchorage dues, and so forth; but as I do not think it would be possible to carry out, at the present day, the stipulations contained in the various clauses of the Capitulations, to the very letter, it would appear to be unnecessary to notice them further.

But the facts above stated form an additional reason, in my humble opinion, why we might demand to be treated in Turkey on the footing of the most favoured nation on the termination of the Treaty of 1861, and why the Porte should grant it, for if we were to establish our right to import goods into Turkey, and to export them on payment of so small a duty as 3 per cent., some foreign Powers, still having Treaties with Turkey, would be sure to demand most-favoured-nation treatment, and to concede which would be far more prejudicial to Turkish interests than if the Porte were to admit that the British demand for most-favoured-nation treatment was but just and equitable.

(Signed) E. HERTSLET.

Foreign Office, April 11, 1883.

No. 71.

Earl Granville to Mr. Wyndham.

(No. 50. Commercial.)

Foreign Office, April 12, 1883.

Sir,

I TRANSMIT herewith, for your information, a copy of a Notification which, on the receipt of your despatch No. 58, Commercial, of the 2nd instant, the Board of Trade was requested to publish, relative to the possible lapse on the 30th September next, of the Tariff of the 7th December, 1861.

I am, &c.
(For Earl Granville),
(Signed) EDMOND FITZMAURICE.

Inclosure in No. 71.

Notification.

THE Board of Trade have received a letter from the Secretary of State for Foreign Affairs stating that the Porte has declined to accede to a proposal made by Her Majesty's Embassy that the Tariff of the 7th December, 1861, should remain in force after the 30th September next, pending further commercial negotiations between Great Britain and Turkey, and that it is understood that after that date the Porte proposes to levy customs duties at the rate of 8 per cent. *ad valorem* on British goods imported into Turkey.

Board of Trade, April 10, 1883.

No. 72.

Mr. Wyndham to Earl Granville.—(*Received April* 16.)

(No. 81. Commercial.)

Constantinople, April 10, 1883.

My Lord,

WITH reference to my despatch No. 65 of the 29th ultimo, I have the honour to inclose herewith, for your Lordship's information, copy of a despatch from Mr. Wrench, together with a Memorandum reporting a private conversation he has had with Edib Effendi, the Director of the Customs, and Bertram and Michael Portugal Effendis, on the subject of the Tariff which the Turkish Government propose to negotiate with Her Majesty's Government. Mr. Wrench called upon Bertram and Michael Portugal Effendis privately by my directions, as I thought it advisable that he should make their acquaintance, and learn, if possible, how far they were ready to commence negotiations. Your Lordship will see that they are most anxious to commence at once; and should your Lordship see no objection to my instructing Mr. Wrench to do so at once, after what has occurred with reference to the prolongation of the Treaty and Tariff after the 1st October next, I will instruct him to obtain such information as he can with regard to the proposed new Tariff, and enter into communication on the subject with the British merchants here.

The proposal of the Customs authorities, mentioned in Mr. Wrench's Memorandum, to negotiate separate Conventions with each of the Powers whose Treaties have expired, or are on the point of expiring, was submitted to the Council of Ministers on the 1st instant, and rejected by that body. It is possible, however, that it may be brought forward again.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 72.

Consul Wrench to Mr. Wyndham.

(Confidential.)

Constantinople, April 7, 1883.

Sir,

IN compliance with your directions, I to-day called at the Custom-house, and was introduced by Mr. R. H. Lang to Bertram Effendi. I afterwards called on Michael Effendi Portugal, whom I have known for many years, and accompanied him, at his desire, to pay a visit to his Excellency Edib Effendi, the Director-General.

I explained to all these gentlemen that I came quite unofficially, and that I had not received an official notification of my appointment as British Delegate.

I led the conversation towards the points you had mentioned to me, and have the honour to inclose a Memorandum of the conversation as a whole.

Later in the day I received a letter of which I transmit a copy, and with regard to which I would request instructions.

I have, &c.
(Signed) WILLIAM H. WRENCH.

Inclosure 2 in No. 72.

Memorandum of Conversation at Custom-house.

(Confidential.)

I SAW Edib Effendi, the Director-General, Michael Effendi, President of the Council, and Bertram Effendi Musteshar. All these gentlemen expressed themselves as most anxious to commence an exchange of ideas between the Ottoman and the English Delegates as soon as possible. Edib Effendi even, before he knew I was at the Custom-house, sent to Bertram Effendi to propose that the days and hours of our meetings should be fixed at once.

Their argument is that, the commerce of the English nation being the most important, and the English being the most practical in commercial matters, it will be of advantage towards securing the ultimate adhesion of all the Powers to come as soon as possible to an understanding on matters of principle and on Tariff values with the English. They imagine that all the Powers will be easy to win over to the views thus arrived at, excepting, perhaps, Austria. They anticipate no difficulty in persuading France to adopt their principles and proposed Tariff, and maintain that Italy cannot support its pretension to a prolongation of seven years, as the Ottoman denunciation was accepted, and negotiations begun by the communication, at the desire of Italy, of the Porte's proposals for a new Treaty. They wish the principles of the new Treaty to be established at once with the English Delegate, and the values of certain articles, which are already classified and valued by the Sub-Commission, to be discussed; by the time these are disposed of, other commodities now under examination will be ready to be submitted to the English Delegate, and thus the Tariff will gradually be completed.

They are willing that the Delegates of other Powers should join in these consultations so soon as they are ready.

With reference to the refusal of the Council of Ministers to renew the British Tariff, they say that this has only been done to deprive Russia of a precedent to make use of in its discussions with the Porte. They hope to succeed in making a Convention shortly with each of the Powers whose Treaties have expired, or are on the point of terminating, for a renewal of the *status quo* to the 1st March, 1884; they expect by that time to have arrived at an agreement with all the Powers as to the future Treaty and Tariff; but should this not be the case, the *status quo* will naturally be prolonged until every Power has been won over; in the meantime, they desire, as I have said, to secure the adherence of the most commercial and most practical nation, whose trade also is greatly in excess of that of any other Power, to a Treaty and Tariff which will then be ready for adoption by all simultaneously. I was informed that the Porte had consented to the abolition of internal duties, and will consent to the suppression of the 1 per cent. transit and export duties.

(Signed) WILLIAM H. WRENCH.

Constantinople, April 7, 1883.

Inclosure 3 in No. 72.

Edib Effendi to Consul Wrench.

Constantinople, le $^{26\ \text{Mars}}_{7\ \text{Avril}}$, 1883.

M. le Consul,

SUIVANT une communication du Ministère Impérial des Affaires Étrangères que je viens de recevoir à l'instant, Bertram Effendi Mustéchar et Michaël Effendi, Président du Conseil du Département confié à ma gestion, ont été désignés par le Gouvernement Impérial pour entamer les négociations d'un nouveau Traité de Commerce Turco-Anglais.

Les Délégués du Gouvernement sont prêts à entamer les négociations. Veuillez m'indiquer le jour qui vous conviendrait pour vous rendre au Département de la Douane à Stamboul.

Agréez, &c.

Le Directeur-Général des Contributions Indirectes,

(Signé) EDIB.

No. 73.

Mr. Giffen to Lord E. Fitzmaurice.—(Received April 16.)

My Lord, *Office of Committee of Privy Council for Trade, April* 14, 1883.

WITH reference to your letter of the 10th instant relative to the proposed substitution in Turkey of customs duties on British goods at the uniform rate of 8 per cent. *ad valorem*, and requesting to be informed as to the opinion of this Department as to the desirability of such a change, I am directed by the Board of Trade to state, for the information of Earl Granville, that they are of opinion that the terms proposed by the Turkish Government would, on the whole, be advantageous rather than disadvantageous to British trade, so far as regards articles now subject to specific duties; but that they do not consider that the proposed alteration would, at present prices, materially affect, either one way or the other, the rates now levied on the importation of British goods into Turkey. At the same time, I am to point out that, under the present Tariff, a deduction of 10 per cent. is allowed on the market value of British goods before the 8 per cent. *ad valorem* rate is assessed; and I am to add that it appears to the Board of Trade most desirable that, under the proposed substitution of an 8 per cent. *ad valorem* duty for the present specific rates, this deduction should in all cases be allowed.

I have, &c.

(Signed) R. GIFFEN.

No. 74.

Earl Granville to Mr. Wyndham.

(No. 54. Commercial.)

Sir, *Foreign Office, April* 18, 1883.

I CAUSED inquiry to be made at the Board of Trade as to the probable effect on British trade with Turkey of the substitution, as intimated in your despatch No. 58, Commercial, of the 2nd instant, of an *ad valorem* duty at the uniform rate of 8 per cent. for the present Tariff of customs duties on British goods imported into Turkey.

I now transmit, for your information, a copy of a letter giving the opinion of the Board of Trade on this point.* I desire to call your attention to the remarks therein contained respecting the deduction now allowed before the 8 per cent. *ad valorem* rate is assessed, and to request that you will use your best endeavours to prevent any alteration in this practice. I have also to observe that the general adoption of *ad valorem* duties is not unlikely to give rise, in some instances, to disputes between merchants and the Customs authorities as to the precise value of particular goods. This question may become a matter of much importance. I should be glad, therefore, to learn what course is likely to be resorted to for the settlement of disputes of this nature; because, unless an equitable mode of determining them is provided, serious complaints may be occasioned.

I transmit, for your information on this point, copies of the Treaty of the 7th February, 1880, between Great Britain and Servia, which contains stipulations with regard to *ad valorem* duties.

I am, &c.

(Signed) GRANVILLE.

No. 75.

Earl Granville to Mr. Wyndham.

(No. 55. Commercial.)

Sir, *Foreign Office, April* 18, 1883.

I HAVE to acknowledge the receipt of your despatch No. 81, Commercial, of the 10th instant, relative to commercial negotiations with the Porte.

In my despatch No. 47, Commercial, of the 6th instant I authorized you to place Mr. Wrench in communication with the proper Turkish authorities, for the purpose of entering upon questions connected with these negotiations; and I approve the steps you took, as reported in your above-mentioned despatch, to commence informal communications on the subject, pending the receipt of my definite instructions.

It is to be borne in mind that the object to be kept in view is that Her Majesty's Embassy shall obtain, through Mr. Wrench, full information with respect to the proposals

* No. 73.

of the Porte with regard to the Treaty and Tariff. When you are of opinion that these particulars have been sufficiently ascertained, you will instruct Mr. Wrench to communicate on the subject, as far as you think proper, with the principal British merchants at Constantinople; and as soon afterwards as possible you will send home a full Report for the consideration of Her Majesty's Government.

With reference, however, to the passage in Mr. Wrench's Report inclosed in your despatch in which he states that the Turkish Customs authorities "hope to succeed in making a Convention shortly with each of the Powers whose Treaties have expired, or are on the point of terminating, for a renewal of the *status quo* to the 1st March, 1884," I have to observe that it is not clear whether the intention is to prolong the duration of the existing Tariff, or to apply an *ad valorem* duty, as intimated in your despatch No. 58, Commercial, of the 2nd instant. I shall be glad to receive precise information on this point at your early convenience. You will bear in mind that you are authorized to sign a Declaration to prolong the duration of the Treaty and Tariff, and that the prolongation should be for as long a period as the Porte will consent to.

I am, &c.
(Signed) GRANVILLE.

No. 76.

Mr. Giffen to Lord E. Fitzmaurice.—(*Received April* 21.)

Sir, *Office of Committee of Privy Council for Trade, April* 20, 1883.

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 10th instant, transmitting, by direction of Earl Granville, a despatch from Her Majesty's Chargé d'Affaires at Constantinople relative to the failure of the Turkish Government to denounce their Treaty of Commerce and Tariff between Italy and Turkey in a formal manner, and also a further despatch, in which Her Majesty's Chargé d'Affaires raises the question whether proper notice has been given to terminate the Tariff of 1861 between Great Britain and Turkey.

In reply, I am to request that you will inform Earl Granville that the Board of Trade are of opinion that, although the denunciation of the Treaty appears to involve the denunciation of the Tariff, it might be expedient formally to consult the Law Officers of the Crown on the subject.

I have, &c.
(Signed) R. GIFFEN.

No. 77.

Mr. Wyndham to Earl Granville.—(*Received April* 23.)

(No. 84. Commercial.)

My Lord, *Constantinople, April* 13, 1883.

WITH reference to my despatch No. 65, Commercial, of the 27th ultimo, and to your Lordship's despatch No. 47, Commercial, of the 6th instant, I have the honour to inclose herewith, for your Lordship's information, copy of a despatch which I have addressed to Mr. Wrench, desiring him to place himself in communication with Bertram Effendi and Michael Effendi, to discuss with them the formal proposals of the Sublime Porte as to a new Tariff with Great Britain.

I have also the honour to inclose copy of a note which I have addressed to Aarifi Pasha, Ottoman Minister for Foreign Affairs, informing him of the instructions I have given to Mr. Wrench.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 77.

Mr. Wyndham to Consul Wrench.

Sir, *Constantinople, April* 13, 1883.

WITH reference to instructions which I have received from Earl Granville, and to a note which I have received from the Turkish Minister for Foreign Affairs, dated the 24th ultimo, I have to request you to place yourself in communication with Bertram Effendi and Michael Effendi, and to discuss with them the formal proposals of the Porte as to a new Tariff with Great Britain.

It is desirable that you should, in the first place, ascertain the views and intentions of the Turkish Government in the matter, and if possible obtain a copy of the proposed Tariff, while it is still in a preliminary stage, in order that suggestions as to classification of goods and rates of duty may be made.

I am, &c.
(Signed) HUGH WYNDHAM.

Inclosure 2 in No. 77.

Mr. Wyndham to Aarifi Pasha.

M. le Ministre, *Constantinople, April* 13, 1883.

I HAVE the honour to acknowledge the receipt of your Highness' note of the 24th ultimo, and to inform you that I have instructed Mr. Wrench to place himself in communication with Bertram Effendi and Michael Effendi, in order to discuss with them the formal proposals of the Sublime Porte as to a new Tariff with Great Britain.

I avail, &c.
(Signed) HUGH WYNDHAM.

No. 78.

Mr. Wyndham to Earl Granville.—(*Received April* 23.)

(No. 85. Commercial.)

My Lord, *Constantinople, April* 13, 1883.

WITH reference to your Lordship's despatch No. 47, Commercial, of the 6th instant, and to my despatch No. 84, Commercial, of to-day's date, I have the honour to inclose to your Lordship copy of a note which I have addressed to Aarifi Pasha, Ottoman Minister for Foreign Affairs, in which I have requested the Sublime Porte to engage definitively to accord to Great Britain most-favoured-nation treatment in the event of the lapse of the Treaty of 1861 between Great Britain and Turkey before negotiations for a new Tariff and Treaty shall have been concluded.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 78.

Mr. Wyndham to Aarifi Pasha.

M. le Ministre, *Constantinople, April* 13, 1883.

IN a note dated this day I have informed your Highness that I have instructed Mr. Wrench to discuss the formal proposals of the Sublime Porte for a new Tariff with Great Britain with Bertram Effendi and Michael Effendi.

I have now the honour, in compliance with the instructions which I have received from Earl Granville, Her Majesty's Principal Secretary of State for Foreign Affairs, to request the Sublime Porte to engage definitively to accord to Great Britain most-favoured-nation treatment in the event of the lapse of the Treaty and Tariff of 1861 between Great Britain and Turkey before negotiations for a new Treaty and Tariff shall have been concluded.

I avail, &c.
(Signed) HUGH WYNDHAM.

No. 79.

Earl Granville to Mr. Wyndham.

(No. 56. Commercial.)

Foreign Office, April 24, 1883.

Sir,

I APPROVE the note which you addressed to the Porte on the 13th instant, with the view to secure to Great Britain most-favoured-nation treatment in the event of the lapse of the Treaty of 1861, of which a copy is inclosed in your despatch No. 85, Commercial, of the same date.

I am, &c.

(Signed) GRANVILLE.

No. 80.

Earl Granville to Mr. Wyndham.

(No. 57. Commercial.)

Foreign Office, April 24, 1883.

Sir,

I APPROVE the note to Aarifi Pasha, and the instructions to Mr. Wrench, relative to commercial negotiations with Turkey, copies of which are inclosed in your despatch No. 84, Commercial, of the 14th instant.

I am, &c.

(Signed) GRANVILLE.

No. 81.

Lord E. Fitzmaurice to the Law Officers of the Crown and Dr. Deane.

Foreign Office, April 24, 1883.

Gentlemen,

I AM directed by Earl Granville to state to you that Mr. Wyndham, Her Majesty's Chargé d'Affaires at Constantinople, has called attention, in a despatch, No. 70, dated the 2nd instant, to the manner in which notice has been given by the Porte for the termination of the Treaty and Tariff of 1861 between Great Britain and Turkey, and has inquired whether the notice which has been given is sufficient to terminate the Tariff.

The engagements contained in the Treaty of the 29th April, 1861, relative to the termination of the Treaty and Tariff respectively, will be found at pp. 50 and 52 of the accompanying volume of Treaties, &c., regulating the trade between Great Britain and Turkey.

I inclose copies of the communications with the Porte for the termination of the Treaty and Tariff.* It will be seen that in a note dated the 11th March, 1882, the Porte announced the desire to revise the Tariff of 1861, and the intention to terminate the Treaty itself: a distinction is here made between the Tariff and the Treaty.

In a note dated the 20th March, 1882, Lord Dufferin stated, in reply, that notice for the revision of the Tariff could not be given before the 1st September, 1882; and that, with regard to the Treaty, notice for its termination could not be given before the 1st October of the same year.

The notice given in the Porte's communication of the 11th March, 1882, was therefore not accepted.

On the 30th September last the Porte gave notice to terminate the Treaty of 1861, which announcement was formally accepted by Lord Dufferin on behalf of Her Majesty's Government on the 7th November last. The Treaty will therefore expire (as at present arranged) on the 1st October next.

The Tariff, however, is not mentioned in this note of the 30th September, 1882, and no express notice for its termination has been given between the 1st September, 1882, and the 1st March, 1883; and in a conversation reported in Mr. Wyndham's despatch No. 68 of the 2nd instant, the Minister for Foreign Affairs stated that the Porte considered the British Treaty and Tariff to be in force till the 30th September next.

* The Earl of Dufferin, No. 32, Commercial, March 14; ditto, No. 35, Commercial, March 21; ditto, No. 100, Commercial, October 9; to the Earl of Dufferin, No. 75, Commercial, October 30; Mr. Wyndham, No. 105, Commercial, November 7, 1882; Mr. Wyndham, No. 18, Commercial, January 29; to Mr. Wyndham, No. 20, Commercial, February 8; Mr. Wyndham, No. 32, Commercial, February 8; to Mr. Wyndham, No. 26, Commercial, February 22; Mr. Wyndham, No. 43, Commercial, February 20; ditto, No. 65, Commercial, March 27; ditto, No. 68, Commercial, April 2; ditto, No. 70, Commercial, April 2; ditto, No. 85, Commercial, April 13, 1883; and volume of Treaties regulating trade with Turkey.

The question now arises whether the Tariff could continue to exist apart from the Treaty, and, if so, whether the notes above referred to—of the 30th September and 7th November, 1882—are sufficient to make it lapse with the Treaty. It is, however, to be observed that in the recent correspondence the duration of the Treaty and Tariff have been taken to go together, and that Mr. Wyndham, in a note to the Porte dated the 13th instant, has applied to the Porte to engage definitely to accord to Great Britain most-favoured-nation treatment in the event of the lapse of the Treaty and Tariff of 1861 before negotiations for a new Treaty and Tariff shall have been concluded.

I am to request that you will take the accompanying papers into consideration, and favour Lord Granville, at your earliest convenience, with your opinion on the point thus raised as to the duration of the Tariff of 1861, and the sufficiency of the notice given for its termination.

I am, &c.

(Signed) EDMOND FITZMAURICE.

No. 82.

Sir J. Pauncefote to Sir F. Herschell.

SIR JULIAN PAUNCEFOTE presents his compliments to Sir F. Herschell, and begs to transmit herewith a copy of a Memorandum by Sir E. Hertslet on the commercial privileges granted to British subjects in Turkey by the Capitulations of 1675, with reference to the observations on the subject contained in the paper which accompanied Sir F. Herschell's note of the 7th instant.*

Sir Julian Pauncefote will be much obliged if Sir F. Herschell will inform him whether the Law Officers would wish the letter from this Office of the 28th February to be supplemented by copies of the extracts from the Capitulations referred to by Sir E. Hertslet.

Foreign Office, April 24, 1883.

No. 83.

Lord E. Fitzmaurice to the Law Officers of the Crown and Dr. Deane.

Foreign Office, May 2, 1883.

Gentlemen,

I AM directed by Earl Granville to state to you that the question has arisen as to the position in which British subjects and their commerce will be placed in Turkey in the event of the Treaty of the 29th April, 1861, between Great Britain and Turkey, lapsing before a new Treaty is concluded, and before the Treaties expire, which other nations have concluded since or about that date, containing similar conditions, and your opinion is requested on the following points:—

It was provided by Article XVIII of the Capitulations of 1675 that—

"All the Capitulations, privileges, and Articles granted to the French, Venetian, and other Princes who are in amity with the Sublime Porte, having been in like manner, through favour, granted to the English, by virtue of our special command, the same shall be always observed according to the form and tenour thereof, so that no one in future do presume to violate the same, or act in contravention thereof."

These Capitulations were expressly confirmed by the Treaties of the 5th January, 1809, by the Convention of the 16th August, 1838, and by the Treaty of the 29th April, 1861; which latter Treaty replaced the Convention of the 16th August, 1838.

By Article I of the Treaty of the 29th April, 1861, it was agreed as follows:—

"All rights, privileges, and immunities which have been conferred on the subjects or ships of Great Britain by the existing Capitulations and Treaties are confirmed now and for ever, with the exception of those clauses of the said Capitulations which it is the object of the present Treaty to modify; and it is, moreover, expressly stipulated that all rights, privileges, or immunities which the Sublime Porte now grants or may hereafter grant to, or suffer to be enjoyed by, the subjects, ships, commerce, or navigation of any other foreign Power, shall be equally granted to, and exercised and enjoyed by, the subjects, ships, commerce, and navigation of Great Britain."

* No. 70.

But notice has been given by the Porte to terminate this Treaty on the 1st October next, and the question has arisen whether, in the event of its being permitted to expire on that day, Her Majesty's Government would still be justified, under the Capitulations above mentioned, in demanding for British subjects and commerce enjoyment of most-favoured-nation treatment in the Ottoman dominions.

It would appear, from a Report upon the Capitulations which was drawn up by Mr. Van Dyck, the United States' Consular Clerk at Cairo, in 1880, and laid before the American Congress in the following year, that, in his opinion, "the Capitulations with the different Powers constitute, as it were, one single whole, which each nation can turn to its own advantage, by reason of the condition stipulated for with the Porte by every Power, that it shall grant it the same privileges and rights conceded, or that shall be conceded, to any other Power. The Porte has thus bound itself to exercise no preference towards any one of the States with which it has Treaties, but to make them all share alike in the benefits of the provisions contained in the Treaties it has entered into with each of them."

Should you be of opinion, however, that a demand for most-favoured-nation treatment cannot be supported as a Treaty right, and that on the abrogation of the Treaty of 1861 an appeal can only be made to the very letter of the Capitulations of 1675, I am to draw your attention to the fact that by Articles XXXIV, LIV, LVII, and LXVII of those Capitulations it is declared that English merchants shall pay a duty of 3 per cent. only on all goods by them imported and exported; and I am to inquire whether, in your opinion, it might not be advisable, in the event of British commerce being denied most-favoured-nation treatment, to make a demand upon the Porte for the fulfilment of those privileges which were conceded to British merchants by the Capitulations of 1675.

To do so would, no doubt, be to revert to a state of things which was found to work far from satisfactorily, as will be seen from a reference to p. 46 of Mr. Van Dyck's Report above referred to; but the matter is so important to British merchants that Lord Granville is of opinion that every appeal which can possibly be made to Treaty stipulations should be made, in order to secure for British subjects, who have so long enjoyed most-favoured-treatment in Turkey, that they be not subjected to less favourable treatment than other foreigners in the event of the Treaty of 1861 being allowed to expire.

I am, &c.
(Signed) EDMOND FITZMAURICE.

No. 84.

The Law Officers of the Crown and Dr. Deane to Earl Granville.—(Received May 7.)

Royal Courts of Justice, May 5, 1883.

My Lord,

WE are honoured with your Lordship's commands signified in the letter of Lord Edmond Fitzmaurice of the 24th ultimo, stating that he was to state to us that Mr. Wyndham, Her Majesty's Chargé d'Affaires at Constantinople, had called attention, in a despatch dated the 2nd instant, No. 70, to the manner in which notice had been given by the Porte for the termination of the Treaty and Tariff of 1861 between Great Britain and Turkey, and had inquired whether the notice which had been given is sufficient to terminate the Tariff. That the engagements contained in the Treaty of the 29th April, 1861, relative to the termination of the Treaty and Tariff respectively, would be found in the accompanying volume of Treaties, &c., regulating the trade between Great Britain and Turkey.

That copies of the communications with the Porte for the termination of the Treaty and Tariff were inclosed.

That it would be seen that in a note dated the 11th March, 1882, the Porte announced the desire to revise the Tariff of 1861, and the intention to terminate the Treaty itself. A distinction was there made between the Tariff and the Treaty.

That, in a note dated the 20th March, 1882, Lord Dufferin stated in reply that notice for the revision of the Tariff could not be given before the 1st September, 1882; and that, with regard to the Treaty, notice for its termination could not be given before the 1st October of that year. That the notice given in the Porte's communication of the 11th March, 1882, was therefore not accepted.

That on the 30th September last the Porte gave notice to terminate the Treaty of 1861, which announcement was formally accepted by Lord Dufferin, on behalf of

Her Majesty's Government, on the 7th November last. That the Treaty would therefore expire (as then arranged) on the 1st October next.

That the Tariff, however, was not mentioned in that note of the 30th September, 1882, and no express notice for its termination had been given between the 1st September, 1882, and the 1st March, 1883; and in a conversation reported in Mr. Wyndham's No. 68 of the 2nd ultimo the Minister for Foreign Affairs stated that the Porte considered the British Treaty and Tariff to be in force till the 30th September next.

That the question then arose whether the Tariff could continue to exist apart from the Treaty; and, if so, whether the notes, above referred to, of the 30th September and the 7th November, 1882, were sufficient to make it lapse with the Treaty.

That it was, however, to be observed that in the recent correspondence the duration of the Treaty and Tariff had been taken to go together; and that Mr. Wyndham, in a note to the Porte dated the 13th ultimo, had applied to the Porte to engage definitely to accord to Great Britain most-favoured-nation treatment in the event of the lapse of the Treaty and Tariff of 1861 before negotiations for a new Treaty and Tariff should have been concluded.

That our opinion was requested on the point thus raised as to the duration of the Tariff of 1861, and the sufficiency of the notice given for its termination.

In obedience to your Lordship's commands we have the honour to report—

That, by Article XXII of the Treaty of 1861, Commissioners were to be appointed for the settlement of the Tariff.

The new Tariff so concluded was to remain in force during seven years from the 1st October, 1861, and each party was to have a right during the seventh year to demand a revision of the Tariff. If this was not done, the Tariff was to be in force for seven more years from the expiration of the present term, and the same was to be the case with each successive period of seven years.

So far as the Treaty is concerned, it would seem that a revision could only be demanded during the years ending the 1st October, 1868, 1875, and 1882, and that if no such revision were demanded, the Tariff would in such case continue to have the force of law for seven more years.

It is stated, however, in a note by Sir E. Hertslet, that "the new Tariff came into force on the 1st March, 1862. It was not revised at the end of the first seven years, and is therefore not terminable before the 1st March, 1876."

Now, Article XXII of the Treaty does not make the duration of the Tariff in any way dependent on the date when it comes into force. It is to continue for a fixed term of seven years from the 1st October, 1861.

It appears to be provided by the Tariff settled by the Commissioners that it should remain in force from the 1st March, 1862, to the 1st March, 1869. It is also provided that either party may demand its revision and renewal within the last six months of its term; but if the six months should elapse after the time fixed without either party having demanded its renewal, the time should be extended "to the seven following years."

These provisions do not accord with those contained in the Treaty; and we do not see how the Commissioners by whom they are signed had any authority under the Treaty to do more than settle the Tariff, which was governed by its stipulations.

The names of the British Ambassador and the Turkish Minister for Foreign Affairs appear to be appended to those of the Commissioners, but we do not understand whether this is to be regarded as a mere verification of the Tariff or as a substantive agreement by them varying the terms of the Treaty. Seeing that it did not take the form of a new Treaty, ratified like the former, we should hardly judge that this was the case.

We think some explanation on these points is essential before we are in a position to advise on the question submitted to us.

We have, &c.
(Signed) HENRY JAMES.
FARRER HERSCHELL.
J. PARKER DEANE.

List of Papers to accompany reference to Law Officers of the Crown of April 24, 1883.

The Earl of Dufferin, No. 32, Commercial, March 14; ditto, No. 35, Commercial, March 21; ditto, No. 100, Commercial, October 9; to ditto, No. 75, Commercial, October 30; Mr. Wyndham, No. 105, Commercial, November 7, 1882; Mr. Wyndham, No. 18, Commercial, January 29; to Mr. Wyndham, No. 20, Commercial, February 8; Mr. Wyndham, No. 32, Commercial, February 8; to Mr. Wyndham, No. 26, Commercial, February 22; Mr. Wyndham, No. 43, Commercial, February 20; ditto, No. 65, Commercial, March 27; ditto, No. 68, Commercial, April 2; ditto, No. 70, Commercial, April 2; ditto, No. 85, Commercial, April 13, 1883; Volume of Treaties regulating Trade with Turkey.

No. 85.

Mr. Wyndham to Earl Granville.—(Received May 7.)

(No. 100. Commercial.)

Constantinople, May 1, 1883.

My Lord,

I HAVE the honour to report to your Lordship that I forwarded to Mr. Wrench, for his information and guidance, your Lordship's despatches Nos. 54 and 55, Commercial, of the 18th ultimo.

I have now the honour to inclose, for your Lordship's information, a copy of a Report which I have received from that gentleman on his first official interview with the Ottoman Government's Commercial Delegates.

With reference to the question of separate Conventions with different States whose Treaties have expired, or are on the point of expiring, I had the honour, in my despatch No. 81, Commercial, of the 10th ultimo, to point out that that proposal had been rejected by the Council of Ministers; but, as Mr. Wrench has learnt from Bertram and Michael Effendis that the Porte may possibly accede under pressure from Her Majesty's Government to a prolongation for a limited time of the Treaty and Tariff with Great Britain, I shall use my best endeavours to that end.

Your Lordship will observe from Mr. Wrench's Report that his Ottoman colleagues are not in favour of British trade being subjected, as the Porte have decided, to an 8 per cent. *ad valorem* duty, as they are of opinion that it will create expense, confusion, and loss of time, in addition to a pecuniary loss to the Ottoman Treasury.

I beg to call your Lordship's attention to the information Mr. Wrench has obtained as to the new scale of duties the Porte proposes, and to state that, as soon as I receive fuller information on the subject, I will hasten to lay it before your Lordship.

I have, &c.

(Signed) HUGH WYNDHAM.

Inclosure in No. 85.

Consul Wrench to Mr. Wyndham.

Constantinople, April 28, 1883.

Sir,

I HAVE the honour to acknowledge the receipt of your communication of the 27th instant, inclosing Lord Granville's despatches Nos. 54 and 55, Commercial, and calling my special attention to the concluding paragraph of the last-mentioned despatch.

On the 26th instant I had my first meeting with Bertram and Michael Effendis, during which I alluded to the hope they had previously expressed of being able to induce the Porte to conclude a Convention with England for the purpose of prolonging the existing Tariff until the 1st March, 1884, and for its further extension beyond that date in the event of negotiations for a uniform Tariff with all foreign Powers being still pending.

They informed me that, much to their regret, the Council of Ministers, actuated by the decision come to with respect to Russia, had rejected their proposals, and that they themselves had no longer any hope of carrying them through, unless indeed Her Majesty's Government came to their aid by further insisting that the Porte should prolong the existing Treaty and Tariff until the 1st of next March in the first place, and after that until the date at which the universal Tariff should come into operation.

The Porte, they said, had insisted on the 8 per cent. *ad valorem* system with regard to Russia, because the Russian Tariff allowed Russian goods, which were in nearly all cases similar to Ottoman produce, to be imported on more favourable conditions than were accorded to the Turkish internal trade, and having once insisted on the adoption *ad interim* by one Power of the *ad valorem* system, the Porte did not see its way to according an extension of existing Tariffs to other Powers.

My colleagues, in reporting to the Council of Ministers in favour of a maintenance of the English Tariff, had argued that as regarded Russia the imports were few and of the same nature as those arriving from Ottoman ports, which were subject to *ad valorem* duties; that, therefore, a simple extension of the system to which their employés were already accustomed was required; but that, as regarded the trade of Great Britain,

amounting to about 50 per cent. of the whole commerce of the Empire, and comprising an endless variety of articles, the adoption of the temporary *ad valorem* system would create expense, confusion, and loss of time, in addition to a pecuniary loss to the Treasury; for, whereas they estimated the fiscal revenue under the present Tariff at 8 per cent. of the value of the aggregate of British importations, they considered it impossible to encash a higher average than 7 per cent. under a nominal 8 per cent. *ad valorem* system, owing to the inherent defects of a novel and complicated system being forced upon a numerically weak staff, which, furthermore, did not possess all the necessary qualifications for carrying it out on the scale required to meet the demands of British commerce.

The Porte, however, has ruled that a duty of 8 per cent. *ad valorem* is to be levied upon all British importations from the 1st October, 1883, until the application of a new Commercial Tariff, and this would subject British merchandize, on its arrival in Turkey, to the following formalities:—

All bales and packages would be opened at the custom-house; pieces would be detached from each separate fabric and selected from each description of goods, and upon these samples the value of these goods would be fixed by the Custom-house appraiser. From the value thus arrived at 10 per cent. would be, as now, deducted, and 8 per cent. would then be levied on the balance. Cases of disagreement between the Custom-house appraiser and the importer would still be referred to the Director of the Custom-house, whose decision would be final, and if the merchant considered the decision thus arrived at to be prejudicial to his interests, he would then pay duty in kind on the basis explained in my Commercial Report for the year 1878 (p. 1001).

Michael Effendi agrees with me in the above description of the application of the Porte's decision.

My Ottoman colleagues confined themselves, at our meeting on the 26th instant, to developing to a certain extent the Ottoman proposals, and informed me that in ten days' time they would have prepared a more detailed list of classifications. To my question as to when they would be prepared with the valuations to be affixed to these classifications, they replied that three months or so would elapse ere these would be completed. The articles on which a duty ranging from 1 to 3 per cent. would be levied are sufficiently exemplified in the second paragraph of the Porte's original propositions. As these articles are now introduced contraband into the Empire, they do not form an important feature in the negotiations.

The following lists I copied from my colleagues' memoranda:—

It is proposed to levy a fixed duty of 8 per cent. on—"terres, minerais, métaux précieux en lingots, les soies en cocons, les graines de vers-à-soie, les chiffons, les arbres et les plantes, le coton, la laine, le lin, les crins bruts, les matières tinctoriales, les peaux brutes, le caoutchouc, le gutta-percha. Le charbon de terre, les animaux vivants, le papier" (for writing and printing purposes), "les imprimés, les instruments aratoires, machines de toutes espèces, les drogueries et articles pharmaceutiques, les fils de toutes espèces, les métaux en lingots, les articles demi-ouvrés."

The undermentioned articles are to be taxed from 12 to 20 per cent.; and subdivisions, as well as rates of taxation, are to be the object of negotiations with the Delegates of the European Powers. My colleagues admitted that they were prepared to make several sub-divisions, especially of "tissus," and thought that they might average 15 per cent. import duty on the whole of the following:—

"Les denrées coloniales, vins, alcools, spiritueux, comestibles divers, bougies, pétrole, tissus, quincailleries, ouvrage en métaux, armes non prohibées, allumettes et amadoux, verreries et poteries, habillements confectionnés, meubles, ustensiles de ménage, et articles achevés."

I forward to you these lists in order to afford at once a general view of the wishes of the Ottoman Government with regard to classifications, but a more complete idea will be formed on the receipt of the detailed list, which will be ready in some ten days' time, after which the fixation of values, some three months hence, will develop to their full extent the Ottoman proposals for a new Tariff.

I have, &c.

(Signed) WILLIAM H. WRENCH.

No. 86.

Earl Granville to Mr. Wyndham.

(No. 63. Commercial.)

Foreign Office, May 9, 1883.

Sir,

I HAVE to acknowledge the receipt of your despatch No. 100, Commercial, of the 1st instant. It appears from Mr. Wrench's Report, therein inclosed, that he expects to be able shortly to supply more complete information with respect to the proposals of the Turkish Government relative to the Commercial Treaty and the Tariff with Great Britain; I therefore think it advisable to defer further instructions on these matters.

I am, &c.

(Signed) GRANVILLE.

No. 87.

The Law Officers of the Crown and Dr. Deane to Earl Granville.—(Received May 19.)

Royal Courts of Justice, May 18, 1883.

My Lord,

WE are honoured with your Lordship's commands signified in Sir Julian Pauncefote's letter of the 28th February last, stating that he was to state to us that the question had arisen as to the position of British subjects and commerce in Turkey in the event of the Treaty of the 29th April, 1861, between Great Britain and Turkey lapsing before a new Treaty was concluded, and before the Treaties expire which other nations had concluded since or about that date, containing similar conditions.

That a Memorandum was inclosed on that point by Sir Edward Hertslet; also a volume containing (pp. 41-52) the Treaty of 1861, and other Treaties between the Porte and this country and different European Powers; and also a draft of a despatch which it was proposed to address to Her Majesty's Chargé d'Affaires at Constantinople, preferring, on the part of Her Majesty's Government, a claim to most-favoured-nation treatment in the event of the Treaty of 1861 lapsing in the circumstances above mentioned.

That our opinion was requested as to whether a despatch in those terms might properly be sent to Mr. Wyndham, and what alterations, if any, we would suggest in its terms as there proposed.

We are also honoured with a letter from Lord Edmond Fitzmaurice, dated the 2nd instant, on the above subject, and our opinion was requested on the following points:—

That Article XVIII of the Capitulations of 1675 provided that—

"All the Capitulations, privileges, and Articles granted to the French, Venetian, and other Princes who are in amity with the Sublime Porte, having been in like manner, through favour, granted to the English, by virtue of our special command, the same shall be always observed, according to the form and tenour thereof, so that no one in future do presume to violate the same, or act in contravention thereof."

That those Capitulations were expressly confirmed by the Treaties of the 5th January, 1809, by the Convention of the 16th August, 1838, and by the Treaty of the 29th April, 1861, which latter Treaty replaced the Convention of the 16th August, 1838.

That by Article I of the Treaty of the 29th April, 1861, it was agreed as follows:—

"All rights, privileges, and immunities which have been conferred on the subjects or ships of Great Britain by the existing Capitulations and Treaties are confirmed now and for ever, with the exception of those clauses of the said Capitulations which it is the object of the present Treaty to modify. And it is moreover expressly stipulated that all rights, privileges, or immunities which the Sublime Porte now grants or may hereafter grant to, or suffer to be enjoyed by, the subjects, ships, commerce, or navigation of any other foreign Power, shall be equally granted to, and exercised and enjoyed by, the subjects, ships, commerce, and navigation of Great Britain."

But that notice had been given by the Porte to terminate that Treaty on the 1st October next, and that the question had arisen whether, in the event of its being permitted to expire on that day, Her Majesty's Government would still be justified, under the Capitulations above mentioned, in demanding, for British subjects and

commerce, enjoyment of the most-favoured-nation treatment in the Ottoman dominions.

That it would appear from a Report upon the Capitulations which was drawn up Mr. Van Dyck, the United States' Consular Clerk at Cairo, in 1880, and laid before the American Congress in the following year, that, in his opinion, "the Capitulations with the different Powers constitute, as it were, one single whole, which each nation can turn to its own advantage, by reason of the condition stipulated for with the Porte by every Power that it shall grant it the same privileges and rights conceded or that shall be conceded to any other Power. The Porte has thus bound itself to exercise no preference towards any one of the States with which it has Treaties, but to make them all share alike in the benefits of the provisions contained in the Treaties it has entered into with each of them."

That should we be of opinion, however, that a demand for most-favoured treatment could not be supported as a Treaty right, and that, on the abrogation of the Treaty of 1861, an appeal can only be made to the very letter of the Capitulations of 1675, our attention was directed to the fact that by Articles XXXIV, LIV, LVII, and LXVII of those Capitulations it was declared that English merchants should pay a duty of 3 per cent. only on all goods by them imported and exported; and that our opinion was requested as to whether it might not be advisable, in the event of British commerce being denied most-favoured-nation treatment, to make a demand upon the Porte for the fulfilment of those privileges which were conceded to British merchants by the Capitulations of 1675.

That to do so would, no doubt, be to revert to a state of things which was found to work far from satisfactorily, as would be seen by a reference to p. 46 of Mr. Van Dyck's Report; but that the matter was so important to British merchants that your Lordship was of opinion that every appeal which can possibly be made to Treaty stipulations should be made, in order to secure for British subjects, who had so long enjoyed most-favoured-nation treatment in Turkey, that they be not subjected to less favourable treatment than other foreigners in the event of the Treaty of 1861 being allowed to expire.

In obedience to your Lordship's commands we have the honour to report—

That it is open to contention that the 1st Article of the Treaty of 1861 is to be regarded as an independent stipulation, not only confirming existing Capitulations, but granting for all time most-favoured-nation treatment, and that this latter right is not extinguished by the Treaty being put an end to.

But we do not think this view can be insisted on as clearly the sound one. We think the sounder view probably is that, when the Treaty of 1861 ceases, British subjects are remitted to their prior rights, and that they are entitled to the benefit of all Capitulations and Treaties prior to the Treaty of 1838, which was replaced by that of 1861.

We think, therefore, that the claim should be put forward that British merchants are either entitled to most-favoured-nation treatment, or, if not, to the fulfilment of the privileges conceded by the earlier Capitulations. And, in the event of the former being denied them, we think the latter claim should be preferred.

We have, &c.

(Signed) HENRY JAMES.
FARRER HERSCHELL.
J. PARKER DEANE.

No. 88.

Mr. Wyndham to Earl Granville.—(Received May 19.)

(Commercial.)

(Telegraphic.)

Constantinople, May 18, 1883, 4·30 P.M.

IN a note dated yesterday the Minister for Foreign Affairs states that the British Tariff having ceased to have force of law since the 1st March last, import duties are to be at once levied at 8 per cent. *ad valorem*. This is at variance with the distinct assurances given to me by his Highness, and reported in my despatch No. 68, Commercial, of the 2nd ultimo, as to duration of the Treaty and Tariff.

Shall I protest against this, and can I sustain that the Tariff has never been denounced, as set forth in my despatch No. 70, Commercial, of the 2nd ultimo?

No. 89.

Mr. Wyndham to Earl Granville.—(*Received May 20.*)

(Commercial.)
(Telegraphic.)

Constantinople, May 20, 1883, 3 P.M.

EIGHT per cent. *ad valorem* duties are being levied here and at Smyrna on British imports.

No. 90.

Earl Granville to Mr. Wyndham.

(Commercial.)
(Telegraphic.)

Foreign Office, May 20, 1883, 6 P.M.

YOUR telegram, Commercial, of 18th.

Protest strongly against note of Porte as being in direct violation of statement of Minister for Foreign Affairs, recorded in your despatch No. 68, that Porte considered Treaty and Tariff to be in force till 30th September.

You need not raise the point about the denunciation of the Tariff not having been made at the proper date.

No. 91.

Earl Granville to Mr. Wyndham.

(No. 68. Commercial. Ext.)

Foreign Office, May 20, 1883.

Sir,

HER Majesty's Government have had under their consideration your telegram of the 18th instant relative to the intention on the part of the Porte to levy at once import duties of 8 per cent. *ad valorem*, on the ground that the British Tariff had ceased to have the force of law since the 1st March last.

I have now to request that you will protest strongly against the above decision of the Porte as being in direct violation of the statement of the Ottoman Minister for Foreign Affairs, recorded in your despatch No. 68, Commercial, of the 2nd ultimo, that the Porte considered the Treaty and Tariff to be in force till the 30th September next.

In addressing a protest to the Porte in the above sense, it is not necessary that you should raise the point about the denunciation of the Tariff not having been made at the proper time.

I am, &c.
(Signed) GRANVILLE.

No. 92.

Lord E. Fitzmaurice to Mr. Wyndham.

(Commercial.)
(Telegraphic.)

Foreign Office, May 21, 1883.

WIRE to me at once whether 8 per cent. *ad valorem* duties now proposed to be levied are most-favoured-nation treatment. If you have any doubt, ask Wrench.

No. 93.

Memorandum by Mr. Walmisley on Law Officers' Report of the 5th May, as to the Termination of the Commercial Treaty and Tariff between Great Britain and Turkey of 1861.

Law Officers, May 5, 1883.

THE Law Officers, in their Report of the 5th May last, before sending a final Report on the subject of the termination of the Commercial Treaty between Great Britain and Turkey of the 29th April, 1861, request to have certain explanations on a point raised as to the duration of the Tariff which was signed on the 7th December, 1861, and that came into force on the 1st March, 1862; and they wished to know, as the provisions for its renewal did not accord with those of the Treaty, whether, as the

names of the British Ambassador and Turkish Minister of Foreign Affairs, as well as the Commissioners, were appended to this document, that was a mere verification of it, or whether it was to be considered as a substantive agreement.

With respect to the Tariff, there does not appear to be any correspondence in this Office of the negotiations that took place on that subject.

The British Commissioners were appointed by Sir H. Bulwer, and the question of the Tariff was carried out at Constantinople, and it was only sent home by him on the 3rd June, 1862, calling attention to the services of the Commissioners. — Sir H. Bulwer, No. 310, June 3, 1862.

It would appear, however, from the following correspondence on the subject of the Treaty—although there is no distinct statement to that effect—that the Treaty and the Tariff should be considered to go together, and to terminate at one and the same time, as they were both to commence from the same date, viz., 1st March, 1862.

In September 1861 Sir H. Bulwer wrote that the Porte wished Her Majesty's Government to consent that the Turkish Treaty should not come into operation until the following March, so as to give time for the negotiation of the other Commercial Treaties with foreign Powers. Sir H. Bulwer was, however, told that Her Majesty's Government could not consent to the proposed delay. — Sir H. Bulwer, No. 622, September 7, 1861. To Sir H. Bulwer, No. 561, September 14, 1861.

Sir H. Bulwer telegraphed further that the Ottoman Government strongly urged for the delay in the execution of the Treaty, but that M. Musurus would speak on the subject to Lord Russell. — Sir H. Bulwer, No. 666, September 30, 1861.

In October following Sir H. Bulwer again wrote, stating that the Turkish Government strongly urged the delay as to the execution of the Treaty, and that it should be granted according to the wishes it had already expressed; and he was informed, in reply, that although Her Majesty's Government were averse to the proposed procrastination, nevertheless, they would be willing, out of deference to the urgent wishes of the Porte, to extend the term for the operation of the Treaty to the 1st January on the understanding that it would then be put in force without any further question; but the Turkish Government still urged that the date should be delayed until March 1862, and Sir H. Bulwer stated that as the other Governments would have then entered into arrangements of the same nature by that time, under the circumstances, perhaps it would be as well to consent to the Porte's request; but that, as the negotiations of the other Governments were independent of Great Britain, it might be right to fix something definite with the Porte for the month of March, so that it should be known beforehand for certain what regulations would then be in force. — Sir H. Bulwer, No. 672, October 7, 1861. To Sir H. Bulwer, No. 640, October 24, 1861. Sir H. Bulwer, No. 689, October 12, 1861.

Sir H. Bulwer was then requested to state whether, if the Treaty were postponed until the 1st March, there would be any probability of the Treaty being put in force on that day, and he could obtain any guarantee to that effect; and, in reply, he forwarded a note from the Porte, "formally pledging itself, under any circumstances, to carry into operation the new Commercial Treaty with Great Britain on the 1st March *next* (o.s.)."* It would appear, then, that the Treaty and Tariff commence and terminate from the same date. — To Sir H. Bulwer, No. 864, November 6, 1861. Sir H. Bulwer, No. 767, November 11, 1861.

(Signed) A. WALMISLEY.

Foreign Office, May 21, 1883

No. 94.

Mr. Wyndham to Earl Granville.—(*Received May 22.*)

(Commercial.)
(Telegraphic.)

Constantinople, May 21, 1883.

THE Porte has addressed a note to the German Ambassador notifying its intention to levy customs duties at 8 per cent. *ad valorem* on German imports. His Excellency is protesting by order of his Government.

No. 95.

Mr. Wyndham to Earl Granville.—(*Received May 22.*)

(Telegraphic.)

Constantinople, May 21, 1883.

YOUR Lordship's telegram of 20th, Commercial.

I have made strong verbal protest against the note of the Porte respecting Tariff,

* This was agreed to by Her Majesty's Government (November 26, 1861).

and have demanded immediate revocation of orders as to duties. I have stated that, unless I receive a favourable answer to-morrow, I shall send in a note. I have instructed Consuls to advise British subjects to pay only under protest.

No. 96.

Mr. Wyndham to Earl Granville.—(Received May 22.)

(Commercial.)
(Telegraphic.) *Constantinople, May 22, 1883.*

YOUR telegram of yesterday.

The question is very complicated and difficult, but one of my colleagues, Wrench, and another gentleman, well acquainted with commercial questions, whom I have consulted, are of opinion that, in asking for most-favoured-nation treatment, we could not obtain better than 8 per cent. *ad valorem* duties. This rate should, however, it would seem, be levied on conditions contained at the end of our Tariff as to valuations and coins.

(Confidential.)

I have till now received no complaints from merchants here; but, considering protests of other Powers, I am not without hopes of ultimately obtaining prolongation of Treaty and Tariff pending negotiations.

No. 97.

Mr. Wyndham to Earl Granville.—(Received May 22, 3 P.M.)

Constantinople May 22, 1883.

(Telegraphic.)

THE Porte has informed United States' Minister that they intend henceforth levying duties at 8 per cent. *ad valorem* on American imports.

His Excellency has protested, maintaining that the Tariff is co-existent with the Treaty.

No. 98.

Memorandum by Sir E. Hertslet.

IT is clear from this Memorandum by Mr. Walmisley that the Treaty of Commerce with Turkey of 1861 came into operation on the 1st March, 1862; in fact, a notice to that effect was inserted in the "London Gazette" of the 21st of that month, but as no Protocol or other international Agreement was signed altering the date fixed for its *duration* by Articles XX and XXIII of the Treaty itself, namely, fourteen or twenty-eight years from the *1st October*, 1861, I do not think that the fact of the Treaty coming into operation having been postponed by mutual consent would alter the date of its duration.

It was clearly so considered by the Porte on the 30th December, 1873, for on that day it gave formal notice of its wish to terminate the Treaty on the *1st October, 1875*.

With regard to the *Tariff*, I think there can be little doubt that the date (the 1st March) was fixed as the date at which the various Tariffs between the Porte and foreign Powers should commence, that is to say, the Turkish financial year; and as to its validity as an international arrangement it should be remembered that the High Contracting Parties to the Treaty between this country and Turkey of 1861 agreed to appoint Commissioners for the settlement of the Tariff, as had evidently been the practice for many years previously, for on the 10th November, 1842, Consul-General Cartwright, in a despatch to Sir S. Canning wrote as follows: "The rates established in the Tariffs made with the various nations trading with the Levant are formed to represent the duty of 3 per cent. on imports and exports stipulated in the

Treaties and Capitulations. I know not when Tariffs were first introduced, but it no doubt was found convenient for all parties to establish an amount of money equivalent to the value of 3 per cent. to be paid on the several articles of trade, by the weight, number, or measure of those articles, thereby avoiding the disputes which otherwise might arise at the various custom-houses in the Empire on estimating the value of the merchandize." (State Papers, vol. xxxi, p. 1345.)

(Signed) E. HERTSLET.

May 22, 1883.

No. 99.

Mr. Wyndham to Earl Granville.—(Received May 28.)

(No. 112. Commercial. Ext.)
My Lord, *Constantinople, May 18, 1883.*

I HAVE the honour to inclose herewith to your Lordship copy of a note which reached me this morning from Aarifi Pasha, Minister for Foreign Affairs, in which he informs me that the Customs Tariff concluded between the Sublime Porte and Great Britain having ceased since the 1st March last to have force of law, the Imperial Government has decided henceforth to levy customs duties at the rate of 8 per cent. *ad valorem* upon goods imported into Turkey until a new order of things shall have been established.

His Highness adds that instructions have been sent to all the custom-houses in the Empire to enforce this decision at once.

This communication has surprised me very much, as Aarifi Pasha, in the presence of Göscher Effendi, solemnly assured me, on the 31st March last, that the Porte considered the Treaty and Tariff between Great Britain and Turkey to be in force till the 30th September, and I duly repeated this statement to your Lordship in my despatch No. 68, Commercial, of the 2nd ultimo.

I at once telegraphed the substance of this note to your Lordship, and requested you to be so good as to inform me whether I should protest againt this decision, and asking your Lordship whether I could maintain that the Tariff had never been specially denounced, as set forth in my despatch No. 70, Commercial, of the 2nd ultimo.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 99.

Aarifi Pasha to Mr. Wyndham.

M. le Chargé d'Affaires, *Sublime Porte, le 17 Mai*, 1883.

LE Tarif Douanier conclu entre la Sublime Porte et le Gouvernement de Sa Majesté Britannique ayant cessé d'avoir force de loi depuis le 1er Mars dernier, le Gouvernement Impérial a décidé de percevoir désormais les droits de 8 pour cent *ad valorem* sur les marchandises importées en Turquie jusqu'à nouvel ordre des choses.

Cette mesure devant être immédiatement mise à exécution dans toutes les Douanes de l'Empire, l'Administration compétente a reçu à cet effet les ordres nécessaires.

En portant cette décision à votre connaissance, je vous prie d'agréer, &c.

(Signé) A. AARIFI.

No. 100.

Mr. Wyndham to Earl Granville.—(Received May 28.)

(No. 114. Commercial.)
My Lord, *Constantinople, May 20, 1883.*

WITH reference to my despatch No. 66, Commercial, of the 31st March last, I have the honour to report to your Lordship that the Italian Chargé d'Affaires has informed the Porte that his Government are willing to consider the Treaty of

Commerce and Tariff between Italy and Turkey as having been denounced by the latter Power, provided the Imperial Government will grant Italy most-favoured treatment and prolong the *status quo* until the establishment of a new order of things. Count Collobiano informed me yesterday that the Porte, although it had not signified to him its acceptance of the above conditions, had recently addressed a note to him requesting him to appoint a Delegate to treat with the Ottoman Commissioners for a new Treaty, and that he should state to Aarifi Pasha, the Minister for Foreign Affairs, that he could not receive such a note, and that, unless the Porte agreed to accept the terms offered by his Government, it would consider the Treaty and Tariff as valid for another seven years.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 101.

Mr. Wyndham to Earl Granville.—(Received May 28.)

(No 116. Commercial.)
My Lord, *Constantinople, May 21, 1883.*

THE Russian Chargé d'Affaires informed me to-day that he was still urging the Porte to put in force the Treaty and Tariff with Russia, both of which have expired, until the settlement of a new order of things, but hitherto without success, and that the Turkish Government continued to levy *ad valorem* duties on Russian imports at the rate of 8 per cent.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 102.

Mr. Wyndham to Earl Granville.—(Received May 28.)

(No. 118. Commercial. Ext.)
My Lord, *Constantinople, May 21, 1883.*

I HAVE the honour to state that on the receipt of your Lordship's telegram of the 20th instant I protested at the Porte verbally against the note I had received respecting the Tariff, and I demanded that the orders respecting the duties should be immediately revoked. I added that, unless I received a favourable reply to-morrow, I should send in a written protest.

I have instructed Her Majesty's Consuls to advise British subjects to pay, but only under protest.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 103.

Mr. Wyndham to Earl Granville.—(Received May 28.)

(No. 120. Commercial. Confidential. Ext.)
My Lord, *Constantinople, May 21, 1883.*

I HAVE the honour to inform your Lordship that the German Ambassador has received a note from the Porte announcing its intention to levy duties at the rate of 8 per cent. *ad valorem* on German imported goods, and that his Excellency is, by order of his Government, protesting.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 104.

Mr. Wyndham to Earl Granville.—(Received May 28.)

(No. 122. Commercial.)
My Lord, *Constantinople, May 22, 1883.*

THE German Ambassador informed me yesterday that the Porte had, in accordance with the conditions of the Treaty of Commerce between Germany and Turkey, given notice of their wish to revise the Tariff. M. de Radowitz stated that he had considered that, pending negotiations for a revision of the Tariff, the *status quo* should be maintained, and that he had been much surprised at receiving a note from the Porte, dated the 17th instant, announcing its intention of levying thenceforth duties upon German imports at the rate of 8 per cent. *ad valorem*. His Excellency said that he had at once referred the matter to his Government, and had received orders to protest against such a proceeding, as it was necessary, in the opinion of the German Government, that an understanding should have been come to between the two Governments before any change in the rate of levying duties could be enforced. M. de Radowitz therefore informed the Porte yesterday of the instructions he had received from his Government.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 105.

Mr. Wyndham to Earl Granville.—(Received May 28.)

(No. 124. Commercial. Ext.)
My Lord, *Constantinople, May 22, 1883.*

I HAVE the honour to inform your Lordship that the United States' Minister has received a note from the Porte announcing its intention to levy 8 per cent. *ad valorem* duties on American imports, and that his Excellency has protested, stating that the Tariff is co-existent with the Treaty.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 106.

Mr. Wyndham to Earl Granville.—(Received May 28.)

(No. 126. Commercial.)
My Lord, *Constantinople, May 22, 1883.*

I HAVE the honour to report that I protested strongly yesterday against the action of the Porte in suddenly levying duties upon British imports at the rate of 8 per cent. *ad valorem*.

I pointed out that British merchants had been led to suppose that the Tariff would at all events remain in force until the 30th September next; that the present decision of the Porte was at variance with the statement made to me by the Minister for Foreign Affairs on the 31st March last, and that it was most unfair suddenly to introduce a new order of things without previous notice, as British subjects trading with Turkey must have made their arrangements counting upon the existence of the Tariff up to the end of September next.

I demanded that the present order should be revoked, and I told the Minister for Foreign Affairs that the Imperial Government would be held responsible for any losses which might ensue from it to British subjects.

In the event of my not receiving a favourable reply, I shall send in a note to the Porte of which the inclosed is a copy.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 106.

Mr. Wyndham to Aarifi Pasha.

M. le Ministre, *Constantinople, May* 21, 1883.

I HAVE the honour to acknowledge the receipt of your Highness' note of the 17th instant informing me that the Imperial Government had decided henceforth to levy duties on British imports at the rate of 8 per cent. *ad valorem*, the Customs Tariff with Great Britain having ceased to have force of law since the 1st March last.

I received the announcement of this decision on the part of the Government of His Majesty the Sultan with the greatest astonishment. Your Highness will doubtless recollect that on the morning of the 31st March last I requested you to be so good as to allow me to wait upon you in the course of that day, as I was anxious to obtain from you a clear and distinct assurance as to how long you considered the British Tariff to be in force. I accordingly saw your Highness in the afternoon of that day, together with Göscher Effendi, the Legal Adviser of the Sublime Porte, who had been summoned by your Highness to assist you with information on the subject of my visit. On that occasion your Highness informed me, in distinct terms, that you considered the British Treaty and Tariff to be in force till the 30th September next.

I told your Highness that I took note of your statement, and I duly reported it to Earl Granville, Her Majesty's Principal Secretary of State for Foreign Affairs.

On the receipt of your note of the 17th instant I telegraphed to my Government, and I now beg, in accordance with the instructions which I have received, to protest strongly against that note, which contains a decision in direct violation of the above-mentioned statement made to me by your Highness in the presence of your Legal Adviser on the 31st March last.

I avail, &c.
(Signed) HUGH WYNDHAM.

No. 107.

Aarifi Pasha to Musurus Pasha.—(Communicated to Lord E. Fitzmaurice by Musurus Pasha, May 28.)

(Confidentiel.)
(Télégraphique.) *Constantinople, le* 24 *Mai,* 1883.

REÇU télégramme.

L'Ambassade Britannique prétend, il est vrai, que le Gouvernement Impérial aurait accordé une prolongation provisoire du Tarif, et invoque à cet effet un *pro-memoriâ* adressé par mon Département en réponse à une notice de Mr. Wyndham demandant à connaître les propositions de la Sublime Porte touchant la révision du Tarif; mais il n'en est pas moins vrai que notre *pro-memoriâ* avait seulement pour but d'informer M. le Chargé d'Affaires que la Sublime Porte n'avait encore aucune proposition à formuler à cet égard, et que, par conséquent, le *statu quo*, c'est-à-dire le Tarif, serait provisoirement maintenu. D'ailleurs, l'Ambassade Royale elle-même ne saurait interpréter autrement la signification des termes du *pro-memoriâ*, puisque, peu de temps après sa réception, elle demandait par écrit la prolongation du Tarif au-delà du 1er Octobre prochain.

Il est évident que l'Ambassade Britannique n'aurait point formulé une pareille demande si elle était d'avis que cette prolongation lui avait été déjà concédée par le Mémoire Ottoman qu'elle invoque aujourd'hui.

Tels sont les faits. Si je crois devoir les traduire ici sous leur vrai jour, c'est pour ne pas laisser supposer plus longtemps que nous sommes revenus sur une promesse déjà faite, et encore moins sur un engagement déjà contracté.

Je vous prie de donner ces explications au Foreign Office.

Quant à la question en elle-même, je me réserve de vous faire connaître la décision qui ne tardera pas à être prise par le Gouvernement Impérial.

No. 108.

Lord E. Fitzmaurice to Mr. Wyndham.

(Commercial.)
(Telegraphic.) *Foreign Office, May* 30, 1883, 3·40 P.M.

YOUR No. 32, Commercial, of the 8th February.

Are the two last words of Turkish *pro-memorid* inclosed therein "Traité actuel" or "Tarif actuel"? In the inclosure in your above-mentioned despatch the former is written, and in your despatch No. 65 of the 27th March the latter.

No. 109.

Earl Granville to Mr. Wyndham.

(No. 71. Commercial.)
Sir, *Foreign Office, May* 30, 1883.

I HAVE to acquaint you that his Excellency Musurus Pasha, in reply to a request preferred by Lord Edmond Fitzmaurice, called on his Lordship at this Office on the 24th instant.

It was pointed out to his Excellency that the course of action adopted by the Porte in regard to the recent Tariff changes was in direct contravention with the course previously announced as that which they intended to pursue. His Excellency promised Lord Edmond Fitzmaurice that he would at once telegraph to his Government for explanation.

I now inclose, for your information, a copy of a telegram which he received from the Porte, and communicated to this Office on the 26th instant, together with a copy of the reply returned to his Excellency on the same subject.*

I am, &c.
(Signed) GRANVILLE.

No. 110.

Earl Granville to Mr. Wyndham.

(No. 72. Commercial.)
Sir, *Foreign Office, May* 30, 1883.

I HAVE received your Commercial despatches Nos. 112, 118, and 120, of the 18th, 21st, and 22nd instant respectively, on the subject of the recent change in the Turkish Tariff, and I have now to convey to you my approval of your action as reported therein.

I am, &c.
(Signed) GRANVILLE.

No. 111.

Earl Granville to Musurus Pasha.

M. l'Ambassadeur, *Foreign Office, May* 30, 1883.

YOUR Excellency has been good enough to communicate to Lord E. Fitzmaurice confidentially a telegraphic despatch addressed to you by the Minister for Foreign Affairs on the 24th instant on the subject of the recent change made in the Turkish Tariff on goods imported from the United Kingdom into the dominions of the Sublime Ottoman Porte. In that telegram a contention is put forward that no importance should be attached to the terms of a *pro-memorid* communicated by the Porte to Mr. Wyndham, Her Majesty's Chargé d'Affaires at Constantinople, and that the prolongation of the Tariff therein mentioned was contingent on the maintenance by the Porte of the attitude of expectancy which then existed, and which, it is implied, is now at an end. It is further contended that Her Majesty's Embassy did not interpret the words of the *pro-memorid* in their literal sense, because Mr. Wyndham, after receiving the *pro-memorid*, subsequently renewed in writing a request that the Tariff then existing should be prolonged to the 1st October next. I trust, however, to convince your Excellency that this contention is entirely erroneous, both

* Nos. 107 and 111.

in substance and in detail, and not in accordance in any way with the facts of the case in the possession of Her Majesty's Government.

On the 7th February last Mr. Wyndham received a *pro-memorid* from the Sublime Porte, which, after referring to other matters, concluded with the following expression: "Dans tous les cas le Gouvernement Impérial entend provisoirement maintenir en vigueur le Tarif actuel." It is difficult to see how any assurance could be clearer or more explicit than that contained in the words quoted above, and it is also to be noted that, in order to prevent any doubt or uncertainty on the subject, it was expressly stated in the *pro-memorid* that the Tariff forms an integral portion of the Treaty, and could not be separated from it. This position might, I may observe, be disputed, and the question be raised whether the Tariff is not a separate document, and whether, not having been denounced in the proper manner, it does not remain in vigour for seven years. But it is not my intention to press this point upon your Excellency, and I only call attention to it in order to show the friendly course adopted by Her Majesty's Government in this matter.

With regard to the fact that Mr. Wyndham, after receiving this *pro-memorid*, renewed his request that the Tariff might be prolonged, I would observe that the necessity of making this further request was brought about by the following circumstances:—On the evening of the 26th March Mr. Wyndham was informed by Sir A. Sandison that the Porte contemplated a change with regard to the duration of the Tariff. He thereupon immediately addressed a note to Aarifi Pasha, reminding his Highness of the terms (which he quoted) of the *pro-memorid* already referred to, at the same time expressing the surprise with which he had learnt that the Porte actually contemplated any measure at variance with the assurance he had previously received. In consequence of this note interviews took place between Mr. Wyndham and the Minister for Foreign Affairs, who at one of these was accompanied by Göscher Effendi, Legal Adviser to the Porte; and on the 31st March Mr. Wyndham, in reply to a request for a clear and distinct assurance as to how long the Porte considered the Tariff to be in force, was informed, in strict harmony with the previous contention of the Porte, that the Treaty and Tariff were one document, that both were and would be in force till at least the 30th September next. Notwithstanding this declaration, the Porte, without any warning, has taken the steps complained of to your Excellency by Lord E. Fitzmaurice, in violation of the existing Treaty and Tariff, and without even the adoption of that definite commercial policy upon which, according to the telegram read to Lord E. Fitzmaurice by your Excellency, the termination of the existing arrangements was contingent.

I trust, M. l'Ambassadeur, that these facts will convince your Excellency that Her Majesty's Government have full and sufficient grounds for regarding the written and verbal communications made to their Representative at Constantinople as a binding assurance that no sudden change would be made in the Tariff treatment of British imports in Turkey such as has taken place, and that you will lose no time in making a communication to this effect to your Government.

I have, &c.
(Signed) GRANVILLE.

No. 112.

Mr. Wyndham to Lord E. Fitzmaurice.—(*Received May* 31.)

(Telegraphic.) *Constantinople, May* 31, 1883.

YOUR telegram of 30th.

The words in my despatch No. 65, Commercial, of the 27th March are correct, viz., "Tarif actuel."

No. 113.

Mr. Wyndham to Earl Granville.—(*Received June* 4.)

(No. 128. Commercial. Ext.)
My Lord, *Therapia, May* 22, 1883.

I HAVE the honour to inform your Lordship, with reference to the inquiry you addressed to me on the 21st instant, that the question of whether the 8 per cent. *ad valorem* duties now being levied by the Turkish Government come under the provisions of the "most-favoured-nation clause," or not, is very complicated and difficult. One of my colleagues whom I have consulted, as well as Mr. Wrench and another gentleman well acquainted with commercial questions, are of opinion that we should not obtain better terms than 8 per cent. *ad valorem* duties were we to claim most-favoured-nation treatment. Duties at the above rate should, however, it would seem, be levied on the conditions contained at the end of our Tariff as to valuations and coins.

I may add, confidentially, that I have as yet received no complaints from British merchants here, and in view of the protests of the other Powers I am not without hope of ultimately obtaining, pending negotiations, a prolongation of our Treaty and Tariff.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 114.

Mr. Wyndham to Earl Granville.—(*Received June* 4.)

(No. 130. Commercial.)
My Lord, *Therapia, May* 26, 1883.

I HAVE the honour to inclose herewith, for the information of Her Majesty's Government, copy of a Circular *note verbale* which I have received from the Porte requesting that British merchants established in Turkey be asked to assist the Turkish Commercial Delegates with information as to the price and value of goods.

I have forwarded a copy of this note to Mr. Consul-General Fawcett, and have requested him to take such steps as he may consider advisable in this matter.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 114.

Note Verbale.

L'ÉLABORATION des nouveaux Tarifs Douaniers ayant nécessairement pour base principale l'estimation et la fixation du prix moyen de chaque marchandise, la Direction Générale des Douanes a institué des Commissions d'Enquête, chargées de recueillir, auprès des principaux négociants, toutes sortes de renseignements sur cette matière.

Le Ministère des Affaires Étrangères, à la demande de l'Administration compétente, croit devoir prier l'Ambassade de Sa Majesté Britannique de vouloir bien inviter les commerçants Anglais, établis en Turquie, à renseigner aussi exactement que possible les employés, Délégués des dites Commissions d'Enquête, qui se présenteront à eux, et à leur fournir des informations détaillées sur les prix et valeur des marchandises. Les négociants doivent se prêter d'autant plus à cette collaboration que les travaux poursuivis ont en général pour but aussi bien la sauvegarde de leurs propres intérêts que ceux du Gouvernement Impérial.

Ministre des Affaires Étrangères,
le 24 *Mai*, 1883.

No. 115.

Mr. Wyndham to Earl Granville.—(*Received June* 4.)

(No. 133. Commercial.)
My Lord, *Therapia, May* 29, 1883.

WITH reference to my telegrams of the 21st and 22nd instant respectively, I have the honour to inform your Lordship that the Porte notified also to the Belgian Legation that it intended henceforth levying duties on Belgian imports at the rate of 8 per cent. *ad valorem*.

The Belgian Minister telegraphed at once to his Government for instructions, and received orders to protest against any change being introduced at present, on the

ground that the Belgian Tariff is coexistant with the Treaty, which does not expire till next year.

M. de Bartholeyns accordingly protested, but I have not heard with what result.

With regard to Germany, I understand that the Porte has desisted from their intention, and has reverted to levying duties in accordance with the German Tariff.

I have, &c.

(Signed) HUGH WYNDHAM.

No. 116.

Mr. Wyndham to Earl Granville.—(Received June 4.)

(No. 134. Commercial.)

Therapia, May 29, 1883.

My Lord,

WITH reference to my despatch No. 126, Commercial, of the 22nd instant, I have the honour to report that having received no protests from British merchants against duties being levied at the rate of 8 per cent. *ad valorem* on British imports, I have thought it desirable not to send to the Porte the note, copy of which I inclosed to your Lordship in my above-mentioned despatch.

I have also the honour to report that I requested Mr. Fawcett, Her Majesty's Consul-General, to endeavour to arrive at the opinion of British merchants here on this subject, and that with that object in view he held a meeting yesterday of merchants and importers, who unanimously declared that the present tax upon imports at 8 per cent. *ad valorem* was not prejudicial to their interests.

I pointed out on the 23rd instant to the Minister for Foreign Affairs that if the Porte intended to alter the decision conveyed to me in its note of the 17th instant, it must do so quickly, otherwise great confusion would ensue, as British importers would be making arrangements to import goods under the 8 per cent. *ad valorem* tax.

I have, &c.

(Signed) HUGH WYNDHAM.

No. 117.

Sir J. Walsham to Earl Granville.—(Received June 4.)

(No. 68. Commercial. Confidential.)

Berlin, June 2, 1883.

My Lord,

WITH reference to Mr. Wyndham's No. 122, Commercial, of the 22nd ultimo, a copy of which was inclosed in your Lordship's despatch No. 19, Commercial, dated the 30th May, I have the honour to state that, on my asking the Acting Minister for Foreign Affairs a few days ago whether the German Government had come to a satisfactory arrangement with the Porte with respect to the announcement by the latter of its intention to levy henceforth duties upon German imports at the rate of 8 per cent. *ad valorem*, I understood his Excellency to say that the Porte had admitted having been in error as to the interpretation given to the Treaty of Commerce between Prussia and the States of the Zollverein and Turkey, dated the 20th March, 1862.

Owing to the ratifications of the Treaty not having been exchanged till the 20th January, 1863, the third period of seven years, within which a proposal to modify the the Tariff attached to the Treaty could be entertained, would not expire till January next; and although the Porte might have the right to suggest modifications, an entirely new system of imposing duties would be irregular until the question had been discussed between the Contracting Parties.

Dr. Busch seemed to consider that this particular circumstance placed Germany on a somewhat different footing to those other Powers who signed almost identical Treaties of Commerce with Turkey in 1861 and 1862, but the ratifications of which were exchanged almost immediately after signature.

I have, &c.

(Signed) JOHN WALSHAM.

No. 118.

Earl Granville to Mr. Wyndham.

(No. 74. Commercial.)

Sir,

Foreign Office, June 5, 1883.

WITH reference to the questions now under discussion between Her Majesty's Government and the Sublime Porte connected with the denunciation by the latter of the Anglo-Turkish Treaty of the 29th April, 1861, I think it well to place before you at the present time the following remarks as to the position in which British subjects and their commerce will be placed in Turkey on the expiration of that Treaty before a fresh Treaty is concluded, and also before the expiration of the Treaties containing similar provisions which other nations have concluded with Turkey since or about the date of the Treaty of 1861.

This Treaty, whilst containing a provision in Article XX that it shall be substituted for the Convention of the 16th August, 1838, expressly states in the 1st Article that "all rights, privileges, and immunities which have been conferred on the subjects or ships of Great Britain by the existing Capitulations and Treaties are confirmed now and for ever, with the exception of those clauses of the said Capitulations which it is the object of the present Treaty to modify," and the Article proceeds to secure to British subjects, ships, commerce, and navigation complete most-favoured-nation treatment in regard to rights already granted, or which might be thereafter granted, to any other foreign Power. The Treaty of 1838 was expressly stated to be "appended to the Capitulations;" and in like manner, speaking generally, Commercial Treaties of recent date have been looked upon as amendments of the Capitulations.

In connection with these stipulations, I have to call your attention to Article XVIII of the Capitulations of 1675, which provides "That all Capitulations, privileges, and Articles granted to the French, Venetian, and other Princes who are in amity with the Sublime Porte, having been in like manner, through favour granted to the English by virtue of our special command, the same shall be always observed according to the form and tenour thereof, so that no one in future do presume to violate the same or act in contravention thereof."

I have referred to the stipulations of the Capitulations of 1675, to the provisions of the Treaties of 1838 and 1861, and to the fact that recent Treaties between the Porte and foreign Powers have been regarded as amendments of the Capitulations by the adaptation of their provisions to the altered requirements of modern times. The Capitulations, generally, having been thus granted to Great Britain, Her Majesty's Government hold that they are entitled, under the grant made in 1675, and the confirmation in perpetuity made in 1861, to share in any amendments to them.

On these grounds, therefore, Her Majesty's Government consider that, in the event of the lapse of the Treaty of the 29th April, 1861, they can continue to claim complete most-favoured-nation treatment for British subjects, ships, commerce, and navigation in the Ottoman dominions.

While, however, Her Majesty's Government hold that the above would be the most satisfactory arrangement, having regard to the existing commercial relations between Great Britain and Turkey, they nevertheless maintain that, in the event of any difficulty being raised on the part of the Porte to the admission of British subjects and commerce to such most-favoured-nation treatment, they are fully entitled to claim, as an alternative, the privileges conceded to British merchants by the Treaties and Capitulations prior to the Treaty of 1838, which was replaced by that of 1861. It will be desirable that you should take the earliest opportunity of bringing this question before the attention of the Porte, and ascertaining definitely what their intentions are in regard to the position of British commerce after the 1st October next, when the present Treaty expires.

I am, &c.

(Signed) GRANVILLE.

No. 118*.

Earl Granville to Mr. Wyndham.

(Commercial.)

(Telegraphic.)

Foreign Office, June 5, 1883, 2 P.M.

YOUR despatch No. 134, Commercial, of the 29th ultimo.

I approve your not having presented note as to 8 per cent. *ad valorem* duties. If quite clear that British merchants do not object, you can accept, making a reserve as to the manner in which it was done. Despatch in this sense is being prepared.

No. 119.

Earl Granville to Mr. Wyndham.

(No. 76. Commercial.)

Foreign Office, June 5, 1883.

Sir,

HER Majesty's Government have had under their consideration your despatch No. 134, Commercial, dated the 29th ultimo, reporting your further proceedings since the date of your previous despatch No. 126, Commercial, as regards the immediate levying by the Porte of the 8 per cent. *ad valorem* duties.

In now conveying to you the approval of Her Majesty's Government of your proceedings in refraining, under the circumstances, from sending to the Porte the note of which a copy was inclosed in your despatch of the 22nd ultimo, I have to inform you that if it is quite clear that the British merchants in the Ottoman dominions do not object to the 8 per cent. tax, as prejudicial to the trade conducted by them between Turkey and the United Kingdom, you are authorized to accept the arrangement in question, while making a reserve as to the manner in which the Porte has acted in the matter, when it put the new Tariff in force without proper notice being given to Her Majesty's Government, such a course being in direct contradiction of the previous declarations on the subject made to Her Majesty's Embassy by the Porte itself.

I am, &c.
(Signed) GRANVILLE.

No. 120.

Musurus Pasha to Earl Granville.—(Received June 6.)

Ambassade Impériale Ottomane, Londres, le 5 Juin, 1883.

Milord,

J'AI eu l'honneur de recevoir la note que votre Excellence a bien voulu m'adresser en date du 30 du mois dernier au sujet de la question du Tarif, et je me suis empressé d'en communiquer la teneur à son Altesse Aarifi Pacha, par le courrier du 2 du mois courant.

J'ai, &c.
(Signé) MUSURUS.

No. 121.

M. d'Antas to Earl Granville.—(Received June 6.)

Londres, le 5 Juin, 1883.

LE Ministre de Portugal à Constantinople a été chargé d'entamer des négociations préliminaires relativement aux modifications proposées par le Gouvernement Ottoman aux Traités célebrés entre la Turquie et divers pays.

Il y aurait tout avantage à ce qu'une entente fût établie à ce sujet entre les divers Gouvernements. Le Gouvernement de Sa Majesté le Roi de Portugal serait reconnaissant à celui de Sa Majesté Britannique s'il voulait bien donner des instructions au Représentant de la Grande-Bretagne à Constantinople pour qu'il prêtât ses bons offices au Ministre de Portugal. On pourrait atteindre ainsi à une uniformité de vues désirable.

No. 122.

Sir S. Lumley to Earl Granville.—(Received June 7.)

(No. 20. Commercial.)

Brussels, June 6, 1883.

My Lord,

ON the receipt this morning of your Lordship's despatch No. 14, Commercial, of the 5th instant, I called on Baron Lambermont, and asked him what steps the Belgian Government had taken with reference to the notification by the Porte that they intended levying duties on Belgian imports at 8 per cent. *ad valorem*.

Baron Lambermont said that this measure, which had been adopted without warning or notice of any kind, had taken the Government by surprise, since the Belgian Treaty did not expire till next year; at the expiration of which, if not replaced by another Treaty, Belgium would naturally fall under the Tariff of 8 per cent., that of the Capitulations which existed before the conclusion of Commercial Treaties with Turkey.

The Belgian Government therefore instructed their Minister at Constantinople to protest against this measure, on the ground that their Treaty with the Porte had a year more to run.

In a second despatch M. Bertoleyns was instructed to remind the Porte that, according to the terms of their Commercial Treaty with Turkey, Belgium was placed on the footing of the most favoured nation; so that at the expiration of that Treaty Belgium would be entitled to enjoy the advantages Turkey may have accorded to any other Power.

Baron Lambermont said that the Porte had desisted from a similar claim it had put forward with regard to German imports; if, therefore, at the expiration of the Belgian Treaty, it should be found that imports from Germany, or any other country, were admitted under the existing Tariff, or any modification of the same, Belgium would insist upon being placed on the same footing.

In answer to a question I put to him, Baron Lambermont said the Belgian Government had not yet received any reply to their communications to the Porte on this subject.

I have, &c.
(Signed) J. SAVILE LUMLEY.

No. 123.

Extract from Turkish Letter, received June 4.—(Communicated by Sir J. Behrens, June 7, 1883.)

VEUILLEZ noter que depuis le commencement de cette semaine le Gouvernement Turc a cessé d'appliquer le Tarif de Douane pour celles des marchandises de votre pays qui étaient soumises à un droit spécifique. Toutes les marchandises sont soumises conformément au droit ancien de 8 pour cent sur estimation *ad valorem*.

Au point de vue général, les inconvénients de ce mode de taxation ne sont pas grands, car la quotité du droit reste la même, c'est-à-dire à 8 pour cent, et les articles soumis au droit spécifique sont peu nombreux, mais ce changement indique chez le Gouvernement Turc l'intention de ne tenir aucun compte des demandes de notre Gouvernement.

Ci-joint un extrait de journal relatif à cette question :

"*Le* 19 *Mai*, 1883.

"Samedi la Sublime Porte a informé par Circulaire les Missions Étrangères qu'elle avait nommé Bertram Effendi et Mikhaïl Effendi Portocal ses Délégués pour la négociation de nouveaux Traités de Commerce avec les Tarifs Généraux y relatif. En attendant, tous les négociants étrangers paient maintenant le 8 pour cent *ad valorem*, à l'exception des Autrichiens, dont le Tarif reste en vigueur jusqu'au 1er Juin, 1884, et les Français, pour lesquels, à titre de *modus vivendi* provisoire, l'ancien Tarif est maintenu jusqu'à la conclusion du nouveau."

No. 124.

Earl Granville to M. d'Antas.

M. le Ministre,

Foreign Office, June 8, 1883.

I HAVE not failed to note the desire of His Most Faithful Majesty's Government, as expressed in the Memorandum which you were good enough to communicate to this Office on the 5th instant, that Her Majesty's Representative at Constantinople should be instructed to co-operate with his Portuguese colleague in any negotiations arising out of the modifications proposed by the Ottoman Government to be introduced in their Treaty relations with other countries.

While assuring you, M. le Ministre, of the entire wish of Her Majesty's Government to act in this matter in accord with that of Portugal, I have the honour to state that Her Majesty's Government have for some time past had under their consideration the modifications in their commercial relations with the Sublime Porte consequent upon the denunciation by the latter of the Treaty of 1861.

According to assurances received by Her Majesty's Embassy from the Ottoman Minister for Foreign Affairs, it was understood by Her Majesty's Government that, pending such negotiations, the existing Tariff would remain in force at least

until the month of October next. They therefore learnt with much surprise, through a telegram from Her Majesty's Chargé d'Affaires dated the 18th ultimo, that the Porte had decided at once to put in force a Tariff of import duties at the rate of 8 per cent. *ad valorem*.

While Her Majesty's Government cannot but consider this action on the part of the Porte as being at variance with the assurances which had, as above mentioned, been made to them on the subject, it does not appear that the imposition of the 8 per cent. Tariff has so far given rise to complaints from the British mercantile community of injury being thereby caused to British commerce, and Her Majesty's Government have accordingly authorized Mr. Wyndham to accept the new Tariff, provided it is quite clear that the British merchants do not object to it, a reserve being at the same time made as to the absence of due notice being given by the Porte.

I beg to add that the Portuguese Government will be kept duly informed of any further steps which may be taken as regards their commercial relations with Turkey by Her Majesty's Government.

I have, &c.
(Signed) GRANVILLE.

No. 125.

Mr. Wyndham to Earl Granville.—(*Received June* 11.)

(No. 141. Commercial.)
My Lord, *Constantinople, June* 4, 1883.

I HAVE the honour to transmit herewith to your Lordship copies of despatches from Her Majesty's Consular Representatives at Salonica and at Canea, on the subject of the protest against 8 per cent. *ad valorem* duties.

Up to the present date I have received no complaints from British merchants or importers on the duties now imposed.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 125.

Consul Sandwith to Mr. Wyndham.

Sir, *Canea, Crete, May* 28, 1883.

I HAD the honour to receive on the 22nd instant your cyphered telegram, informing me that by order of Her Majesty's Government you had protested against the Order of the Porte to levy for the present duties at 8 per cent. *ad valorem*, and that I am to inform British subjects that they should only pay under protest. There was some obscurity in some of the groups, as my edition of the "Army and Navy List" contains no groups of five figures, but I conceive that the above is the general sense of the telegram.

I have, &c.
(Signed) THOMAS B. SANDWITH.

Inclosure 2 in No. 125.

Consul-General Blunt to Mr. Wyndham.

Sir, *Salonica, May* 23, 1883.

WITH reference to your telegram of the 21st instant, I have the honour to inclose copy of the Circular notice I have addressed to Her Majesty's subjects at this place, on the subject of the recent Order of the Porte to levy duties at present at 8 per cent. *ad valorem*.

I have, &c.
(Signed) J. E. BLUNT.

Inclosure 3 in No. 125.

Notice.

AUX sujets de Sa Majesté Britannique et à leurs fondés de pouvoirs.

L'Ambassade de Sa Majesté Britannique ayant protestée contre l'ordre de la Sublime Porte de percevoir à présent les droits de douane à raison de 8 pour cent *ad valorem* sur les produits du sol ou de l'industrie des États et possessions de Sa Majesté Britannique importés dans les États et possessions de Sa Majesté Impériale le Sultan, les sujets de Sa Majesté Britannique ou leurs fondés de pouvoirs établis à Salonique feraient bien d'acquitter ces droits sous protêt.

(Signé) J. E. BLUNT.

Salonique, le 22 *Mai*, 1883.

No. 126.

Consul Dennis to Earl Granville.—(*Received June* 13.)

(No 6. Commercial.)
My Lord, *Smyrna, June* 5, 1883.

I HAVE the honour to transmit to your Lordship copy of a despatch addressed by me to Her Majesty's Chargé d'Affaires on the 2nd instant, reporting the views entertained by the British merchants of Smyrna, on the levying of an uniform 8 per cent. *ad valorem* duty on imports, until the settlement of a new Tariff.

I have, &c.
(Signed) GEO. DENNIS.

Inclosure in No. 126.

Consul Dennis to Mr. Wyndham.

Sir, *Smyrna, June* 2, 1883.

IN reply to your telegram of the 28th ultimo, requesting to be informed if the merchants object to the imposition of an import duty of 8 per cent. *ad valorem* until the settlement of a new Tariff, I forwarded to the Embassy this morning a telegram in cypher to this effect:—

"Merchants generally are content with the *ad valorem* duty, because British goods are now much cheaper than when the Tariff was made. British merchants tell me that the influential and unscrupulous will gain by private arrangements with the Custom house. Small or conscientious merchants will pay more under the *ad valorem* system."

I have now the honour to report that on the receipt of your telegram, I immediately summoned a meeting of the British merchants to ascertain their views on this question. Very few, however, made their appearance, because almost all the British merchants confine their operations to the export trade, and of the few who import, not one was present. The half-dozen who attended assured me that if the duty is fairly imposed, with reference to the true value, the importers will not have cause to complain, as the value of British goods generally has fallen greatly since 1861, when the last Tariff was fixed. But these gentlemen have so little confidence in the Ottoman Administration, that they strongly suspect that under this apparent show of fairness some underhand course will be adopted, by which the Imperial Treasury will benefit at the expense of the merchants. They cannot doubt that this departure from the old Tariff has been adopted in the belief that it will swell the receipts of the Imperial Government, and as they cannot perceive how this can be effected by adhering to a fair valuation, they strongly suspect some abuse in this respect. In any case, they approve of the course your Excellency has adopted in protesting immediately against the innovation.

I have since consulted the only British house at Smyrna which imports on a large scale, and I learn their opinion to be in favour of the *ad valorem* system of duties as a principle of taxation, although in Turkey they consider it dangerous to accept such a system, even under the most stringent conditions.

They know that according to the Treaty of 1861, goods on which an *ad valorem* duty is imposed, should be calculated at their current price and value, but practically they think the merchants will be at the mercy of the small officials, receiving salaries of

from 50*l.* to 100*l.* a-year, who would be the valuers. The unscrupulous and influential merchants could easily arrange with these valuers for their imports, but the petty dealers, who import in small quantities, and especially if they are scrupulous, and refuse to give backshish to the valuers, would be subjected to endless annoyances, which might put a stop to their transactions unless a new Tariff were speedily made.

To prove the difference between the amount of the duty levied under the Tariff and *ad valorem*, they point out that while copper under the Tariff is charged about 12 per cent., merchants will be able to introduce it *ad valorem* at a duty of about 5 per cent. Some articles which are supposed to pay the usual import duty of 8 per cent., really pay under the Tariff as much as 13 or 14 per cent., because the Tariff was imposed when prices were far higher than at present, and the merchants would of course gain proportionately, if the *ad valorem* duty were fairly imposed. The experience of these gentlemen teaches them that importers on a large scale will gain largely by this innovation in the import dues, while the small dealers will generally suffer.

I have, &c.
(Signed) GEO. DENNIS.

No. 127.

Consul-General Blunt to Earl Granville.—(*Received June 20.*)

(No. 7. Commercial.)

Salonica, June 11, 1883.

My Lord,

I HAVE the honour to transmit herewith, for the information of your Lordship, copies of a despatch, and three inclosures, which I have addressed to Her Majesty's Chargé d'Affaires at Constantinople, on the subject of the vexatious manner in which British cotton manufactures are examined by the Custom-house authorities at Salonica.

I have, &c.
(Signed) J. E. BLUNT.

Inclosure 1 in No. 127.

Consul-General Blunt to Mr. Wyndham.

Salonica, June 9, 1883.

Sir,

I HAVE the honour to transmit herewith copy of a Memorial addressed to this Consulate-General by twenty-five importers of British cotton manufactures on the subject of the vexatious manner in which the examination of their goods is at present conducted by the Custom-house authorities at this place.

I also inclose copy of a letter relative to the telegram I sent you on the 4th instant relative to the above subject.

There is no doubt that the new regulations for examining goods cause great delay and hindrances, which are severely felt by the mercantile community in general and the importers of British goods in particular, and I very much regret that I have not been able to obtain on the spot some alteration of these regulations so as to mitigate the evils complained of, evils that may eventually affect the manufacturers at home.

I have, &c.
(Signed) J. E. BLUNT.

Inclosure 2 in No. 127.

Merchants of Salonica to Consul-General Blunt.

Salonique, le 31 *Mai*, 1883.

LES Soussignés, négociants demeurant à Salonique, sujets Anglais et d'autres nationalités, importateurs de filés Anglais, avons l'honneur de vous exposer ce qui suit :—

Depuis que le Gouvernement Ottoman a modifié les conditions du Traité de Commerce existant entre lui et le Gouvernement de Sa Majesté la Reine, et perçoit par conséquent le droit de douane *ad valorem*, le Directeur de la Douane à Salonique prétend ouvrir et défaire les balles, en classifier les qualités, les numéros des cotons filés, et procéder à l'évaluation.

Considérant que ce procédé était impraticable, un bon nombre de parmi les humbles Soussignés qui avaient à recevoir des marchandises débarquées par le bateau Anglais "Barnismore" s'était rendu à la Douane pour faire comprendre au Directeur combien il était impossible pour nous ainsi que pour lui d'adopter le nouveau système que nous croyons de sa pure invention.

Le Directeur ayant pris leurs démarches en considération en avait amélioré les conditions, savoir :—

1. Nous serions tenus à lui livrer les copies exactes des factures de nos marchandises.

2. Il se réserverait la faculté d'ouvrir une des balles à son choix pour s'assurer du reste.

3. Qu'il examinerait comme par le passé les côtés de toutes les balles.

Hier matin nous nous rendons à cet office pour retirer nos marchandises. Quel en fut notre étonnement, notre surprise, de voir que le Directeur s'étant repenti de ce qui avait été arrêté la veille, prétendit de nouveau à nous faire ouvrir balles pour balles, examiner chaque paquet, classifier les qualités et les numéros dans lesquels elles sont comptées!

Ces rigueurs, M. le Consul, comme vous comprenez bien, sont étranges et nous placent dans le plus grand désespoir. Elles nous forceraient à notre mal gré de renoncer au commerce Anglais soumis à de telles épreuves. Que deviendrait notre marchandise si chaque balle qui la renferme devrait être dépécée. Que chaque paquet enveloppé avec tant de soin devrait passer par la main des employés de la Douane et qu'après avoir traîné sur la boue serait transportée par des portefaix ou par chars tout à fait sales?

Certaines marchandises embellies par les enveloppes (wrappers) et l'apprêt mis avec tant de soin à la manière à laquelle les Anglais seuls sont habitués, perdraient toutes leurs bonnes apparences et détérioreraient de 10 pour cent sans que le Gouvernement Ottoman en profite.

De même que nous nous sommes permis, M. le Consul, de vous exposer plus haut dans le but de nous entendre à l'amiable avec le Directeur de la Douane, nous lui avons offert toutes les garanties possibles, afin que nos marchandises n'aient pas à souffrir, et si ce monsieur, par abus de pouvoir, insiste dans ses prétentions impraticables, et par conséquent inadmissibles, ce sont des choses que notre faible esprit n'arrive pas à expliquer.

Veuillez nous permettre, M. le Consul, s'il-vous-plaît, de vous faire aussi une autre remarque qui allait nous échapper.

Si dans l'ancien système nos marchandises, attendu l'insuffisance d'employés de Douane, n'en pouvaient être retirées que trois à huit jours après leur arivée, dans ce nouveau système, où la Douane devrait en employer 100 hommes au lieu de cinq, où nos marchandises y seraient détenues pour plusieurs semaines.

Le tout dans l'ensemble préjudicie non seulement nos intérêts mais aussi les intérêts Anglais, et vu que vous y portez toujours votre plus grande attention, nous aimons donc espérer, M. le Consul, que comme de coutume vous voudrez bien les défendre, et en attendant nous nous permettons de faire suivre nos signatures en vous remerciant vivement des soins infatigables que vous prodiguez continuellement en faveur de tout le commerce et surtout à celui d'Angleterre.

(Suivent les signatures.)

Inclosure 3 in No. 127.

M. Modiano to Consul-General Blunt.

Salonique, le 4 *Juin*, 1883.

M. le Consul-Général,

EN vous référant à la Pétition que messieurs les négociants au nombre de vingt-cinq vous ont adressés sous date du 31 du mois passé, relativement aux difficultés qu'ils rencontrent de la part de la Douane locale, je suis chargé par eux de vous remercier pour les démarches que vous avez eu la bonté de faire pour y remédier.

Mais comme il paraît que l'action de la Douane en question est causée par des ordres catégoriques de la Sublime Porte, messieurs les négociants vous prient de

vouloir bien transmettre en leur nom le télégramme ci-joint à l'Ambassade de Sa Majesté Britannique à Constantinople.

Recevez, &c.
(Signé) SAMUEL J. MODIANO,
Agent of Messrs. S. L. Behrens and Co., of Manchester.

Inclosure 4 in No. 127.

Merchants of Salonica to Her Majesty's Embassy at Constantinople.

Salonique, le 4 Juin, 1883.

(Télégraphique.)

ATTENDU abolition Traité Commerce cette Douane assujettit les balles cotons filés Anglais à examen minutieux, ouvrant toutes les balles, classifiant numéros et qualités paquets filés. Marchandises conséquemment traînent dans la boue, perdent valeur, et sont retirées avec grand retard. Pour éviter embarras importateurs proposèrent déposer factures, se soumettant à fortes amendes dans cas que par examen minutieux de quelque balle Douane trouverait une différence dans qualités ou contenus et malgré cela et démarches réitérées du Consul-Général Blunt, Douane persiste défaire toutes les balles, examinant chaque paquet, et causant aux marchandises détériorration énorme. Prière faire démarches pour y remédier un moment plus tôt.

No. 128.

Mr. Wyndham to Earl Granville.—(*Received June* 21.)

(No. 144. Commercial.)

Therapia, June 15, 1883.

My Lord,

ON the receipt on the 12th instant of your Lordship's despatch No. 76, Commercial, of the 5th instant, I telegraphed to Her Majesty's Consuls-General and Consuls in the Ottoman Empire, instructing them to report whether British merchants and importers objected to the levying of import dues at the rate of 8 per cent.; and having now received information from the most important Consulates to the effect that such a tax is not prejudicial to British interests, I have addressed a note to the Porte, of which the inclosed is a copy, accepting the measure in question, in accordance with the instructions contained in your Lordship's above-mentioned despatch.

I have informed Her Majesty's Consular officers of this fact, and I have the honour to inclose a copy of my Circular to them.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 128.

Mr. Wyndham to Aarifi Pasha.

Therapia, June 15, 1883.

M. le Ministre,

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 17th May last, and to inform you that I duly forwarded a copy of it to Her Majesty's Principal Secretary of State for Foreign Affairs.

I now beg to inform your Highness that I am authorized by Earl Granville to accept the arrangement therein set forth, while making a reserve as to the manner in which the Imperial Government introduced the measure in question, as being in direct contradiction of the previous declarations made by the Sublime Porte to Her Majesty's Embassy on the subject.

I avail, &c.
(Signed) HUGH WYNDHAM.

Inclosure 2 in No. 128.

Circular addressed by Mr. Wyndham to Her Majesty's Consuls in Turkey.

Therapia, June 15, 1883.

Sir,

I HAVE to inform you that I submitted to Earl Granville the decision of the Porte, announced to me on the 17th May last, to levy 8 per cent. *ad valorem* duties on British imports into Turkey until a new order of things was established.

I have now received instructions from Her Majesty's Principal Secretary of State for Foreign Affairs, authorizing me to accept this arrangement on behalf of Her Majesty's Government; and I have accordingly to request you to convey this decision to British subjects within your Consular district.

I am, &c.
(Signed) HUGH WYNDHAM.

No. 129.

Mr. Wyndham to Earl Granville.—(*Received June* 21.)

(No. 145. Commercial.)

Therapia, June 15, 1883.

My Lord,

I HAVE the honour to acknowledge the receipt of your Lordship's despatch No. 74, Commercial, of the 5th instant, which reached me by messenger on the 12th instant, and to inclose a copy of a note which I have addressed to the Ottoman Minister for Foreign Affairs, and which I trust will be found to set forth correctly the views of Her Majesty's Government in regard to the position of British commercial relations with Turkey after the 1st October next, when the present Treaty expires.

Your Lordship will observe that I have not at present alluded to the alternative mentioned in the latter part of your Lordship's despatch, thinking it best to await a reply to the claim I have now put forward for most-favoured-nation treatment.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 129.

Mr. Wyndham to Aarifi Pasha.

Therapia, June 15, 1883.

M. le Ministre,

I HAVE the honour to inform your Highness that I have received instructions from Earl Granville to take the earliest opportunity of definitely ascertaining from your Highness the intentions of the Sublime Porte in regard to the position of British commerce after the 1st October next, when the present Treaty expires.

Your Highness will remember that on the 13th April last I did myself the honour of requesting, in a note addressed to your Highness, that the Sublime Porte should engage itself to accord to Great Britain most-favoured-nation treatment in the event of the lapse of the Treaty and Tariff of 1861 before negotiations for a new Treaty and Tariff have been concluded.

I am in hopes that your Highness will shortly be in a position to give Her Majesty's Government the engagement above mentioned, and while awaiting your Highness' reply, I beg to state in more detail the views of Her Majesty's Government on the point.

The Treaty of 1861, whilst containing a provision in Article XX that it shall be substituted for the Convention of the 10th August, 1838, expressly states in the 1st Article that "all rights, privileges, and immunities which have been conferred on the subjects or ships of Great Britain by the existing Capitulations and Treaties are confirmed now and for ever, with the exception of those clauses of the said Capitulations which it is the object of the present Treaty to modify;" and the Article proceeds to secure to British subjects, ships, commerce, and navigation complete most-favoured-nation treatment in regard to rights already granted, or which might be thereafter granted to any other foreign Powers. The Treaty of 1838 was expressly stated to be "appended to the Capitulations," and in like manner, speaking generally, commercial Treaties of recent date have been looked upon as amendments of the Capitulations.

In connection with these stipulations, your Highness will perhaps permit me to call your attention to Article XVIII of the Capitulations of 1675, which provides that "all Capitulations, privileges, and Articles granted to the French, Venetian, and other Princes who are in amity with the Sublime Porte, having been in like manner, through favour, granted to the English by virtue of our special command, the same shall be always observed according to the form and tenour thereof, so that no one in future do presume to violate the same or act in contravention thereof."

Her Majesty's Government have referred to the stipulations of the Capitulations of 1675, to the provisions of the Treaties of 1838 and 1861, and to the fact that recent Treaties between the Porte and foreign Powers have been regarded as amendments of the Capitulations by the adaptation of their provisions to the altered requirements of modern times.

The Capitulations, generally, having been thus granted to Great Britain, Her Majesty's Government hold that they are entitled under the grant made in 1675 and the confirmation in perpetuity made in 1861, to share in any amendments to them.

On these grounds, therefore, Her Majesty's Government consider that, in the event of the lapse of the Treaty of the 29th April, 1861, they can continue to claim complete most-favoured-nation treatment for British subjects, ships, commerce, and navigation in the Ottoman dominions.

Having thus laid before your Highness the leading views of Her Majesty's Government, I do not doubt but that your Highness will be good enough to cause, on an early occasion, a definite statement to be sent to me of the Sublime Porte's intentions in regard to the position of British commerce after the expiration of the present Treaty on the 1st October next.

I avail, &c.
(Signed) HUGH WYNDHAM.

No. 130.

Mr. Wyndham to Earl Granville.—(Received June 21.)

(No. 140. Commercial.)
My Lord, *Constantinople, June 16, 1883.*

I HAVE the honour to transmit herewith to your Lordship, with reference to my despatches Nos. 144 and 145, Commercial, of the 15th instant, copy of a despatch from Mr. Consul Biliotti, stating that the agents of British mercantile firms at Trebizond prefer to pay the 8 per cent. *ad valorem* duty to the rate of duty stipulated by the Tariff of 1861.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 130.

Consul Biliotti to Mr. Wyndham.

Trebizond, June 4, 1883.

Sir,

I HAVE the honour to inform you that the agents of British commercial firms, to whom I have communicated the contents of your telegram to me of the 21st ultimo, consider that there is more convenience for them to give the 8 per cent. *ad valorem* on British goods imported, especially as they do so in kind, rather than pay the rates of duty stipulated by the Tariff of 1861.

They state that in some cases the value of Manchester goods has decreased by nearly half since that period, and that only cotton manufactures of the lowest quality are now imported into Anatolia.

Other articles than cotton goods were likewise heavily taxed; for instance, copper, which is also imported here from Great Britain, pays, in consequence of the late decision of the Porte, only 1 piastre instead of 1½ piastre, to which it was subjected until now.

Under these circumstances, no protests have hitherto been entered, and are not likely to be entered at all, against the new order of things, which is considered by the interested parties here to be favourable, and not detrimental, to British commerce,

except, perhaps, in the case of a few articles which, if they exist, have not hitherto been brought to my notice.

I have, &c.
(Signed) ALFRED BILIOTTI.

No. 131.

Mr. Wyndham to Earl Granville.—(Received June 21.)

(No. 150. Commercial.)
My Lord, *Therapia, June 16, 1883.*

WITH reference to my previous despatches on the subject of the imposition of 8 per cent. *ad valorem* duty on British imports, I have the honour to subjoin résumés of the replies I have received from the principal British Consulates in the Ottoman Empire to the telegrams I addressed to them as to the light in which the change in the duties is regarded by British traders.

Constantinople.—"At a meeting held by the British Consul-General opinions were unanimously in favour of the 8 per cent. duty."

Smyrna.—"Merchants have no objection to the *ad valorem* duty, provided that if a dispute arises as to value they can pay in kind."

Beyrout.—"Opinions are about equal in favour of Tariff or *ad valorem* according to those classes of goods imported."

Trebizond.—"With a few insignificant exceptions, the payment in kind of the 8 per cent. *ad valorem* duty is more convenient to British trade than the Tariff."

Aleppo.—"British subjects have not protested against imposition of 8 per cent. *ad valorem*."

Tripoli (Africa).—"British subjects in general unanimously in favour of 8 per cent. *ad valorem*."

Salonica.—"British merchants do not all object to application of 8 per cent. *ad valorem* duty."

Scutari.—"No British merchants in district, but protected subjects consider 8 per cent. *ad valorem* duty more favourable than Tariff."

Crete.—"The Tariff is preferred to the 8 per cent. *ad valorem*."

Jeddah.—"British merchants would prefer 8 per cent. *ad valorem* tax to existing Tariff, if value were not above fair wholesale price, less 10 per cent., and fixed for period."

From the above your Lordship will perceive that Her Majesty's Consuls in general report favourably in regard to the 8 per cent. *ad valorem* duty. The only objection comes from Crete, where Dr. Ortlieb, the Austrian Consul temporarily in charge of the British Consulate, reports in favour of the Tariff over the 8 per cent. duty.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 132.

Mr. Wyndham to Earl Granville.—(Received June 21.)

(No. 151. Commercial.)
My Lord, *Therapia, June 16, 1883.*

WITH reference to my despatch No. 122, Commercial, of the 22nd May, I have the honour to report to your Lordship that, in consequence of the representations made by the German Ambassador, by order of his Government, against duties being levied at the rate of 8 per cent. *ad valorem* on German imports, instead of in accordance with the Tariff, the Turkish Government has abandoned its pretensions on this point, and German imports are now taxed, as before, in accordance with the Tariff.

I understand that the German Embassy has declined to treat for a revision of the Tariff on one of the bases proposed by the Porte in its note of the 8th July, 1882, namely, to tax certain articles as high as 20 per cent. *ad valorem*.

I have also the honour to report that M. Onou, the Russian Chargé d'Affaires, has been endeavouring to obtain a prolongation of the Russian Treaty and Tariff which have expired, but without success; and he informed me yesterday that the Porte had offered to prolong them for a given term, on condition that a new Treaty and Tariff

should be concluded within that term, a condition which M. Onou seemed to consider unacceptable. M. Temeriaseff, who has been appointed Russian Delegate for the negotiation of a new Treaty and Tariff, has recently arrived here, and is in communication on the subject with the Turkish Delegates.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 133.

Earl Granville to Mr. Wyndham.

(No. 87. Commercial.)
Sir, *Foreign Office, June* 22, 1883.

I APPROVE the note which you addressed to Aarifi Pasha on the 15th instant, of which a copy is inclosed in your despatch No. 145, Commercial, of the same date, with respect to the position of British commercial relations with Turkey after the 1st October next, when the Treaty of the 29th April, 1861, will expire.

I am, &c.
(Signed) GRANVILLE.

No. 134.

Earl Granville to Mr. Wyndham.

(No. 88. Commercial.)
Sir, *Foreign Office, June* 22, 1883.

I APPROVE the note to Aarifi Pasha, and the Circular to Her Majesty's Consuls in Turkey, relative to the 8 per cent. *ad valorem* duty imposed by the Porte on British goods imported into Turkey, copies of which are inclosed in your despatch No. 144, Commercial, of the 15th instant.

I am, &c.
(Signed) GRANVILLE.

No. 135.

Earl Granville to Mr. Wyndham.

(No. 89. Commercial.)
Sir, *Foreign Office, June* 22, 1883.

MR. CONSUL-GENERAL BLUNT has forwarded to me copies of his despatch to you of the 9th instant, and its inclosures, relative to complaints of importers of British cotton goods against certain vexatious proceedings on the part of the Customs authorities at Salonica.

I shall be glad to learn what action you have taken in the matter; and I trust that steps have been taken to prevent recurrence of these proceedings.

I am, &c.
(For Earl Granville),
(Signed) EDMOND FITZMAURICE.

No. 136.

Mr. Wyndham to Earl Granville.—(Received June 25.)

(No. 157. Commercial.)
My Lord, *Therapia, June* 20, 1883.

WITH reference to my despatch No. 149, Commercial, of the 16th instant, I have the honour to state that Mr. Consul Biliotti reports that, on further inquiry, he finds that the only articles affected by the 8 per cent. *ad valorem* duty are printed cottons and velvets, but that the direct importation of these articles into Anatolia is very insignificant.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 137.

Consul-General Blunt to Earl Granville.—(Received June 29.)

(No. 8. Commercial.)
My Lord, *Salonica, June* 19, 1883.

I HAVE the honour to transmit herewith, for the information of your Lordship, copy of a despatch, with one inclosure, I have this day addressed to Her Majesty's Chargé d'Affaires at Constantinople on the subject of the application of the 8 per cent. *ad valorem* duty on British imports at this place.

I have, &c.
(Signed) J. E. BLUNT.

Inclosure 1 in No. 137.

Consul-General Blunt to Mr. Wyndham.

Sir, *Salonica, June* 19, 1883.

ON the 13th instant I had the honour to report to you, by telegraph, in answer to your message of the previous day, that the British and native merchants in my district do not at all object to the application of an 8 per cent. *ad valorem* tax on British imports.

The principal merchants at Salonica, with whom I have been in communication with a view to ascertain their feelings on the subject, seem decidedly in favour of an *ad valorem* duty. Those who largely import British goods assure me that our commerce will gain very considerably from the general application of such a duty, and say that the change will especially prove beneficial to British cotton yarns, prints, and shirtings, metals, &c., which have a large sale here and in the interior, and which, owing to the heavy specific duties they were charged with in the old Tariff, were not on an equal footing with similar foreign articles paying *ad valorem* duties. Some of the most intelligent of these merchants have furnished me with the inclosed Table, giving the home and local prices of the principal articles of British industry which are imported here, and the *ad valorem* duties now levied on them contrasted with the specific duties of the old Tariff.

The comparisons in this Table are very instructive.

I have, &c.
(Signed) J. E. BLUNT.

Inclosure 2 in No. 137.

TABLEAU indiquant les Prix actuels en Angleterre des Marchandises exportées pour Salonique telles que Cotons Filés, Tissus, et Metaux; les prix auxquels elles reviennent rendues à l'Échelle à Salonique, les frais d'Emballage et Frêt y compris, et leurs Droits de Douane à 8 pour cent *ad valorem* en comparaison avec l'Ancien Tarif.

Cotons Filés "extra hard," et mules écrus et blanchis des qualités d'usage à Salonique.

Numéros des Filés.	Prix en Angleterre d'un paquet de 10 lbs. en shillings.	Coût à l'Échelle à Salonique d'un paquet de 10 lbs. en piastres. £T. = 100 prs.	Droit 8 pour cent *ad valorem*.	Droit d'après l'Ancien Tarif.	Diminution ou Augmentation des Droits payés sur la base de l'Ancien Tarif.	
					Diminution en faveur du Commerce.	Augmentation en faveur du Gouvernement Turc.
	s. d.	Piastres.	Piastres.	Piastres.	Piastres.	Piastres.
4 à 14	5 0	30·70	2·45	4·55	2·10	..
"	5 10	35·30	2·82	4·55	1·73	..
"	6 8	39·90	3·19	4·55	1·36	..
"	7 6	44·60	3·57	4·55	1·98	..
"	8 4	49·45	3·95	4·55	0·60	..
16 à 24	6 8	39·90	3·19	4·55	1·36	..
"	7 0	44·60	3·57	4·55	0·98	..
"	8 4	49·45	3·95	4·55	0·60	..
"	9 2	54	4·32	4·55	0·23	..
"	8 4	49·45	3·95	4·55	0·60	..
30 à 32	10 5	61	4·88	4·55	..	0·33
"	10 5	61	4·88	4·55	..	0·33
*40 à 42	11 8	68	5·44	4·55	..	0·89
"	14 2	81	6·48	4·55	..	1·93
"	28 4	160	12·80	4·55	..	8·25
*60	33 4	189	15·12	4·55	..	10·57
*70	8 0	46·50	3·72	4·59	0·87	..
Sowings *4 à 24 par 8½ lbs.						

Différents Tissus écrus blanchis et teints.

Espèces.	Prix en Angleterre par une pièce, Poids moyen ainsi qu'en qualité.	Coût à l'Échelle à Salonique par une pièce.	Droit 8 pour cent *ad valorem*.	Droit d'après l'Ancien Tarif.	Diminution ou Augmentation des Droits payés sur la base de l'Ancien Tarif.	
					Diminution en faveur du Commerce.	Augmentation en faveur du Gouvernement Turc.
	s. d.	Piastres.	Piastres.	Piastres.	Piastres.	Piastres.
Grey T-cloths—						
24 yards, et 6 lbs. ..	4 0	23	1·84	2·35	0·51	..
Grey long cloths—						
36 yards, et 6 lbs. ..	4 0	23	1·84	2·66	0·82	..
Grey long cloths, blanchis—						
35½ yards, et 5 lbs. ..	4 8	27·50	2·20	2·70	0·50	..
Grey shirtings—						
37½ yards, et 6 lbs. ..	4 0	23	1·84	3·25	1·41	..
37½ yards, et 8 lbs. ..	8 3	48·50	3·88	4·39	0·51	..
White shirtings—						
No. 5	4 4½	25·50	2·04	6	3·96	..
Qualités moyennes ..	7 6	43	3·44	6	2·56	..
Dyed twill—						
36½ yards	7 0	40	3·20	4·20	1	..

* A very small proportion of these numbers is imported at Salonica.

Métaux.

Espèces.	Prix en Angleterre par une tonne, équivalent à 18 quintaux Turcs.	Coût à l'Échelle de Salonique par une tonne ou 18 quintaux Turcs.	Droit 8 pour cent *ad valorem*.	Ancien Tarif.	Diminution ou Augmentation des Droits payés sur la base de l'Ancien Tarif.	
					Diminution en faveur du Commerce.	Augmentation en faveur du Gouvernement Turc.
	£ *s.*	Piastres.	Piastres.	Piastres.	Piastres.	Piastres.
Cuivre, rond tôles	75 0	8,282	662·56	1,185	522·44	
Etain, en barres	100 0	11,290	896	1,125	229	..
Fer—						
En barres de Cardiff ..	5 5	687·50	55	73·08	18·08	..
A clous	5 15	742·50	59·40	80·52	21·12	..
A cercles de Liverpool ..	6 10	825	66	112,60	46·60	..
En tôles, moyenne ..	9 10	1,155	92·40	124·20	31·80	..
Blanc, par deux caisses ..	1 4	143	11·44	29·50	18·06	..
Alun	6 0	797·50	63·80	109·98	46·18	..
Houille	..	130	10·40	12·63	2·23	..

Salonique, le 15 Juin, 1883.

No. 138.

Mr. Wyndham to Earl Granville.—(Received July 5.)

(No. 171. Commercial. Confidential.)

My Lord, *Therapia, June 30*, 1883.

I HAVE the honour to transmit herewith copy of a Confidential letter from Mr. Consul Wrench respecting the present condition of commercial negotiations with the Sublime Porte.

Should your Lordship concur in the suggestion at the end of Mr. Wrench's letter, I would recommend Mr. Dragoman Stavridès as fitted to take Mr. Wrench's place temporarily during his absence on leave.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure in No. 138.

Consul Wrench to Mr. Wyndham.

(Confidential.)

Dear Mr. Wyndham, *Constantinople, June 28*, 1883.

IT struck me that, before going to see Bertram Effendi to-day, I would pay a visit to M. Callinus, the First Dragoman and Delegate of the Belgian Legation, and the best authority I know on the subject of negotiations for new Commercial Treaties.

He read to me two Reports which early in this month he had addressed to his Minister.

From these it appears that the Ottoman Delegates, owing to the tergiversations of the Porte, did not hold with him exactly the same language that they did with me in many respects. It also appears that all the questions likely to be brought forward within the next seven years are purely diplomatic questions.

The position is, it seems, as follows:—

Germany has absolutely refused to modify her Treaty rights with regard to the basis of 8 per cent. until the expiration of her Treaty. France, although not expressing herself in the same positive way as Germany, is nevertheless resolved to maintain the 8 per cent. for the remaining seven years of her Convention; and Austria is expected, when her term comes, to follow in the same line.

M. Callinus most strongly advised me not to call upon Bertram Effendi. He told me that none of the Delegates named by the European Powers had been asked to

return to the Custom-house after their first or second interview with their Ottoman colleagues.

This, coupled with the fact that they had not yet forwarded to me the list of categories promised me in ten days' time on the 28th April, strengthened him in his conviction that the Delegates had given up all hopes of being able to introduce the unified Tariff until the expiry of the German, French, and Austrian Treaties. That being the case, England, being now in the position that suits her commerce, has but to insist on the maintenance of that position as long as she by diplomatic means can do so; and that, consequently, it would be unwise in me to make any further overtures which might have the effect of jeopardizing that position.

I may mention that the French Delegate has gone on leave of absence, M. Robert, Embassy Dragoman, having been named to replace him in the event of the Turks making any further overtures.

I would therefore beg to suggest that, during my absence on leave, an Embassy Dragoman would be better fitted than a Consular officer to carry on any negotiations that may arise, considering that they will be, as I have already stated, purely of a diplomatic nature.

I beg, &c.
(Signed) WILLIAM H. WRENCH.

No. 139.

Mr. Wyndham to Earl Granville.—(Received July 5.)

(No. 175. Commercial.)

Therapia, June 30, 1883.

My Lord,

WITH reference to your Lordship's despatch No. 89, Commercial, of the 22nd instant, I have the honour to inform your Lordship that Mr. Consul-General Blunt telegraphed to me on the 4th instant in regard to the complaints of importers of British cotton goods at Salonica.

I at once made representations to the Head of the Custom-house here, who said that he would write to the Customs authorities at Salonica instructing them to lose no time in inquiring into the complaints of the merchants, and to take immediate steps to prevent injury being done to the goods by throwing them about. This letter was dispatched from Constantinople on the 14th instant.

Portugal Effendi added that the reason for opening each bale of cotton separately is probably to be found in the refusal of the merchants to indicate the different numbers of the cotton imported.

On the 19th instant I informed Mr. Blunt of the steps that I had taken.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 140.

Mr. West to Earl Granville.—(Received July 7.)

(No. 166. Commercial.)

Washington, June 25, 1883.

My Lord,

WITH reference to the proposed abrogation of the Treaty of 1862 between the United States and the Porte, I have the honour to inclose to your Lordship herewith an article from the New York "Evening Post," which contains a statistical account of American trade with Turkey during the six years from 1876 to 1882 inclusive.

I have, &c.
(Signed) L. S. SACKVILLE WEST.

Inclosure in No. 140.

Extract from the New York "Evening Post" of June 24, 1883.

GENERAL WALLACE AND THE TURKS.—The Treaty of Commerce, which General Wallace is discussing with the Porte, was concluded by Mr. Morris on our side in 1862 for a period of twenty-eight years, but with power to either side to terminate it on giving one year's notice at the expiration of fourteen years, or again at the expiration of twenty-one years. The Treaty was accompanied by a Tariff, settled by international agreement, which was to be in like manner terminable on notice of one year at the expiration of each seven years. The Porte now wants to get rid of them both, and as the period of twenty-one years has expired, has given notice of abrogation, which General Wallace, it was reported yesterday, declines to accept on the ground that it was too late. By the Treaty the Porte agrees not to charge a higher import duty than 8 per cent. *ad valorem* on American goods, and to reduce gradually the export duty on goods exported to the United States from 3 to 1 per cent.

From the protectionist point of view, it is difficult to understand General Wallace's course. It ill becomes us to exert even moral pressure to compel a weak Power to submit to free trade with us—for 8 per cent. *ad valorem* is substantially free trade—considering what the views are which are held by the majority of our Congress, and by so many of our leading statesmen, touching the social and political value of high duties on foreign goods. Turkey is a poor and struggling country, with little or no manufactures, and with her agriculture in an exceedingly rude and unprosperous condition, which our protectionists hold is the result of long persistence in the policy of free trade. She has apparently discovered in some degree the source of her weakness, and is seeking to get rid of the bonds which tie her down to a low Tariff. Is it seemly that at this juncture the United States, of all countries in the world, should step in and insist on her continuing to receive American goods at nominal rates of duty, knowing well, or professing to know, that by so doing she pauperizes her own labourers, or, in other words, drags them down to the level of the pauper labourers of America, whose low standard of living enables them to undersell the respectable and self-respecting Turkish mechanic in his own markets?

This is not all, however, or by any means the worst. The Tariff has not worked well for us of late. In other words, we have been receiving from Turkey more than we sent her, which, as every good protectionist knows, means loss. Without going back further, from 1876 to 1881 we had a nice balance of trade against Turkey; that is, we put off on the unfortunate Turks far more of our goods than we took of theirs. This is the way the account of American trade with Turkey stands during six years:—

From United States to Turkey—		Dollars.
1876.	Exports ..	3,396,029
	Imports ..	439,047
1877.	Exports ..	9,538,501
	Imports ..	420,917
1878.	Exports ..	1,113,161
	Imports ..	553,091
1880.	Exports ..	1,913,122
	Imports ..	1,201,316
1881.	Exports ..	1,499,399
	Imports ..	1,582,307
1882.	Exports ..	2,585,250
	Imports ..	2,678,437

This Table tells its own story. The Treaty—we are considering it as good protectionists—appears to have worked well for us down to 1881. Thus far we gave the Turks more than we got from them, which everybody knows is the true way to make money in international trade. Since then the Turks have apparently discovered the secret, have called up their pauper labourers, and although they have only an 8 per cent. Tariff against our 50 or 60 per cent. Tariff, have managed to turn the balance of trade against us, and last year gave us 93,181 dollars more of goods than we gave them. In fact, for the last two years they have been "drawing the gold out of the country," which everybody knows is the worst thing anybody, whether Turk, Jew, or infidel, can do to us.

Under these circumstances, it is plain that General Wallace, instead of opposing the abrogation of the Treaty, ought to be insisting upon it. He is, indeed, far better employed in trying to get the murderers of American missionaries punished than in

trying to maintain the Treaty. The Kurds who murdered the American missionary three years ago have never been brought to justice, and we suppose it is doubtful whether they are even in gaol. In fact, it seems to be the settled policy of the present Sultan not to permit the punishment of death to be inflicted on any Mussulman for any offence against a Christian. The Russians have been unable to this day to obtain the execution of a Circassian who brutally murdered a Russian Colonel in broad daylight in the streets of Pera four years ago. If General Wallace can break through this obstinacy, and secure the hanging of one or two true believers for the murder of Christians, he will render the whole civilized world a service.

No. 141.

Earl Granville to Mr. Wyndham.

(No. 102. Commercial.)

Foreign Office, July 7, 1883.

Sir,

I HAVE to acknowledge the receipt of your despatch No. 171, Commercial, Confidential, of the 30th ultimo, relative to the present position of the commercial negotiations between Great Britain and the Porte; and, in reply, I have to state that I approve your suggestion that Mr. Dragoman Stavridès should act temporarily in these matters, under your directions, during Mr. Wrench's absence from Constantinople.

I am, &c.
(Signed) GRANVILLE.

No. 142.

Consul-General Blunt to Earl Granville.—(Received July 13.)

(No. 9. Commercial.)

Salonica, July 2, 1883.

My Lord,

WITH reference to my despatch No. 7, Commercial, of the 11th ultimo, I have the honour to transmit herewith, for the information of your Lordship, a copy of further despatch I addressed to Mr. Wyndham relative to the complaints put forward by importers of British cottons against the Custom-house authorities of Salonica.

I have, &c.
(Signed) J. E. BLUNT.

Inclosure 1 in No. 142.

Consul-General Blunt to Mr. Wyndham.

Salonica, July 2, 1883.

Sir,

I HAVE the honour to acknowledge the receipt of your despatch of the 10th ultimo, in reply to mine of the 9th idem, on the subject of the complaints put forward by the importers of British cottons against the Custom-house authorities of Salonica.

Some of the merchants in question, to whom I communicated the substance of your despatch, have assured me that they had not refused to specify the numbers of the cotton yarns they imported at this place.

I inclose herewith a copy of their letter on the subject.

I have, &c.
(Signed) J. E. BLUNT.

Inclosure 2 in No. 142.

Messrs. Nathans, Sons, and others to Consul-General Blunt.

M. le Consul-Général,

Salonique, le 2 Juillet, 1883.

NOUS vous remercions, M. le Consul-Général, pour la communication que vous avez bien voulu nous faire relativement aux démarches avancées par l'Ambassade de Sa Majesté Britannique à Constantinople afin de faire cesser les difficultés que les autorités Douanières soulèvent dans la vérification des marchandises.

Nous nous permettons de relever que nous n'avons jamais refusés de déclarer à la Douane les numéros des cotons filés contenus dans les balles. Au contraire, nous avons offert de soumettre les factures originales où les numéros et qualités sont relatés, offrant d'ouvrir quelque balle de chaque partie au choix des préposés de la Douane pour vérifier si nos déclarations sont exactes. Veuillez, M. le Consul-Général, remercier au nom du commerce Anglais à Salonique l'Ambassade de Sa Majesté Britannique pour la sollicitude avec laquelle elle s'occupe de ses intérêts, et agréez, &c.

(*Pro* Nathans, Sons),
(Signé) FERNANDEZ ET MIZRACHI.
(Et 7 autres).

No. 143.

Mr. Wyndham to Earl Granville.—(Received July 19.)

(No. 104. Commercial.)

Therapia, July 11, 1883.

My Lord,

I HAVE the honour to report to your Lordship that the Porte has lately addressed a note to the Austro-Hungarian Ambassador at this Court, asking for the revision of the Treaty of Commerce between Austria and Turkey, and for certain modifications in the Tariff.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 144.

Mr. Wyndham to Earl Granville.—(Received July 19.)

(No. 105. Commercial.)

Therapia, July 11, 1883.

My Lord,

WITH reference to my despatch No. 151, Commercial, of the 16th ultimo, I have the honour to inform your Lordship that M. de Radowitz, the German Ambassador at this Court, informed me yesterday that his Government had now consented to enter into negotiations with the Porte for the modification of the Turco-German Tariff, provided that the changes to be introduced by the Porte in the scale of duties did not increase throughout the whole the burdens already imposed by the Tariff upon German trade, so that, if the Porte augmented the duties upon certain articles, it should give compensation upon others.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 145.

Mr. Wyndham to Earl Granville.—(Received July 19.)

(No. 202. Commercial.)

Therapia, July 13, 1883.

My Lord,

I HAVE the honour to transmit to your Lordship a list of classification of articles of import which has been handed to Mr. Wrench by Bertram and Michael Portugal Effendis, the Ottoman Delegates charged with the preparatory negotiations of the new Treaty of Commerce between Great Britain and Turkey.

In an explanatory Memorandum which, together with a letter transmitted by them to Mr. Wrench, I have the honour of forwarding to your Lordship, the Ottoman Delegates criticize, in general terms, the present system of levying import duties.

They begin by pointing out, at some length and with considerable force, the inconveniences and complications arising out of the present system of taxation, according to special Tariffs, and they state that, in their opinion, it is almost impossible while this system is in vogue to establish an honest and effective Custom-house control over articles of import for the purpose of checking fraud, and of preventing either the foreign merchant or the State Treasury from suffering loss in consequence of the illegal exactions or fraudulent complicity of the numerous Custom-house officials employed by the Imperial Government.

Two radical modifications in the present commercial system of this country are proposed by the Turkish Delegates:—

1. The total abolition of *ad valorem* duties.

2. The adoption of measures which would remedy the evils inherent in a system that recognizes the existence of a variety of Tariffs.

The objections in the eyes of the Ottoman Delegates to the *ad valorem* duties are:—

(*a.*) The difficulty experienced by the Government of obtaining a sufficient number of officials competent to value at a fair rate articles of import, or of controlling the action of those officials when they are found.

(*b.*) The intrinsic unfairness of the tax itself, owing to the unequal manner in which it presses upon different merchants, and to the uncertainty that always exists as to the exact amount that is to be levied.

With regard to the second modification in the present system of levying import duties which the Delegates are anxious to introduce the following suggestion has been made to them, namely, the substitution of a uniform import tax of 8 per cent. in lieu of the present Tariffs, and the establishment of specific in place of *ad valorem* duties.

The Ottoman Delegates discuss the objections which occur to them to the above suggestion, and finally make the following definite proposals:—

1. A uniform tax of 8 per cent. upon certain articles which are enumerated.

2. A maximum tax of 20 per cent. upon other articles, a list of which is also given.

3. To equalize the duty on the importation of wine, &c., with the excise duties levied in the country.

The Ottoman Delegates are of opinion that the tax of 20 per cent., which they are careful to explain is a maximum tax, and would not as a rule average more than 15 per cent., is not so high as to threaten a diminution of the import trade of this country, and that, even if this danger did exist, it is entirely removed by the impetus to trade which they believe will be given by the simplification of the present cumbersome Custom-house arrangements, by the establishment of a system of "declarations," and by the granting of permission to open bonded warehouses.

With regard to the proposed 20 per cent. import duty, I venture to recall to your Lordship's recollection that, on the 3rd June, 1876, the Earl of Derby, writing on the subject to his Excellency Musurus Pasha, stated as follows:—

"In conclusion, I should observe generally that an increase of import duties from 8 per cent. to 20 per cent. is, in the opinion of Her Majesty's Government, excessive as regards the rate of duty, and that such a measure is likely to be injurious, rather than beneficial, to the revenue of the State."

The papers which I now have the honour to forward to your Lordship indicate the stage to which the Delegates of the Ottoman Government have advanced their preparatory labours.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 145.

Bertram and Portugal Effendi to Consul Wrench.

M. le Consul, *Constantinople, le 2 Juillet, 1883.*

NOUS avons l'honneur de vous envoyer ci-joint: (1) un Tableau Systématique pour l'Évaluation des Articles d'Importation; (2) un exposé du but de ce Tableau; (3) un Mémoire expliquant les modifications à introduire au traitement des articles d'importation.

Nous vous prions de nous en accuser réception et nous espérons arriver avec votre aimable concours à un commun accord un moment plus tôt, conformément au désir de notre Gouvernement.

Agréez, &c.
(Signé) BERTRAM.
MICHAËL PORTUGAL.

[For Inclosures 2 and 3, "Tableau Systématique pour l'Évaluation des Articles d'Importation," and Explanatory Memorandum, see Appendix].

No. 146.

Mr. Wyndham to Earl Granville.—(Received August 2.)

(No. 232. Commercial. Confidential.)

Therapia, July 26, 1883.

My Lord,

WITH reference to my despatch No. 195, Commercial, of the 11th instant, I have the honour to inform your Lordship that the German Ambassador told me last night that his Government were willing to make certain concessions to the Turkish Government connected with their commercial negotiations; that he had made known to the Grand Vizier the nature of those concessions, but that his Highness, notwithstanding all the arguments he had used, had refused to accept them.

M. de Radowitz appeared much annoyed at Said Pasha's declining to accede to the proposals of his Government.

His Excellency did not tell me what they were.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 146*.

Mr. Wyndham to Mr. Kennedy.—(Received August .)

Therapia, July 29, 1883.

My dear Kennedy,

I HAVE just heard that the French Ambassador has received the same Tariff proposals as ourselves, and that he declines to entertain them.

Yours, &c.
(Signed) HUGH WYNDHAM.

P.S.—I believe Wrench is in the Engadine for his health. I am writing in great haste for the messenger.

H. W.

No. 147.

Earl Granville to Mr. Wyndham.

(No. 132. Commercial.)

Foreign Office, August 7, 1883.

Sir,

I HAVE to acknowledge the receipt of your despatch No. 202, Commercial, of the 18th ultimo, inclosing a communication made by the Ottoman Delegates to Mr. Consul Wrench relative to the proposed new Ottoman Tariff.

I inclose, for your use, copies of these papers in print; and of a Circular which I have caused to be addressed to Commercial Associations in this country.*

You will learn from this letter the course which it is intended to adopt in dealing with the question of the revision of the Ottoman Tariff.

I am, &c.
(Signed) GRANVILLE.

No. 148.

Earl Granville to Mr. Wyndham.

(No. 133. Commercial.)

Foreign Office, August 7, 1883.

Sir,

THE time has now arrived when you should ask the Porte to reply without further delay to the note which you addressed to Aarifi Pasha on the 15th June last relative to the position of British subjects, ships, commerce, and navigation in the Ottoman Empire, in the event of the lapse on the 30th of next month of the Treaty of the 29th April, 1861.

Her Majesty's Government maintain the demands made in that note. The most satisfactory course, however, would be for the Porte to prolong by a formal Declaration (which you are authorized to sign on the part of Her Majesty's Government) the duration of the Treaty of 1861, and the present uniform duty of 8 per cent. *ad valorem*, for one or more years, in order to allow sufficient time for negotiation, and to afford security to trade.

I am, &c.
(Signed) GRANVILLE.

No. 149.

Circular addressed to Chambers of Commerce.†

Foreign Office, August 9, 1883.

Sir,

YOUR Chamber is aware that the Turkish Government have given notice to terminate the Treaty of Commerce of the 29th April, 1861, between Great Britain and Turkey, which under this notice will expire on the 30th of next month; and, likewise,

* See No. 149. † A similar Circular to other Commercial Associations was sent August 11.

that as a temporary measure they have substituted an uniform rate of duty—8 per cent. *ad valorem*—for the Tariff of customs duties which was drawn up in pursuance of the Treaty of 1861.

Her Majesty's Government have claimed that if the duration of this Treaty is not prolonged pending the negotiation of a fresh Treaty, British subjects and trade in the Ottoman dominions shall, under the provisions of earlier Treaties, enjoy, pending negotiations, complete most-favoured-nation treatment. No answer has yet been received to this demand; but Her Majesty's Government hold it to be well founded, and they expect that the Porte will comply with it.

A statement has now been received showing the intentions of the Porte with regard to the new Ottoman Tariff. Instead of a separate Tariff annexed to the Commercial Treaty concluded between Turkey and different foreign countries, which has been the system of Tariffs hitherto in force in Turkey, the Porte intends to establish an uniform Conventional Tariff to be applied to goods the produce or manufacture of all countries with which a Commercial Treaty may be concluded. In this Tariff, the Turkish Government propose the total abolition of *ad valorem* duties; and the adoption of specific duties, equivalent to rates which, in different classes of goods, will vary from 8 to 20 per cent.

Her Majesty's Government have agreed in principle to the adoption of a Tariff of this nature; and they have further consented, in the interests of British trade, to a discussion between British and Turkish Delegates of the rates of duty to be fixed as the proper equivalent, in the case of British goods, for the corresponding *ad valorem* rate determined in each instance. This discussion will take place at Constantinople; and Mr. W. H. Wrench, Her Majesty's Consul at that place, will be the British Delegate. Mr. Wrench is expected shortly to arrive in England for two or three weeks; and Lord Granville proposes, in following the course adopted on previous occasions of a similar nature, that Mr. C. M. Kennedy, C.B., and Mr. Wrench shall receive at this Office the representations of Associations and persons interested in trade with Turkey, in order that their views may be fully examined and placed before Her Majesty's Government.

If, therefore, your Chamber wishes to make representations on any details of Tariff, or on matters connected with this negotiation affecting British trade with Turkey, I am to request that, in anticipation of Mr. Wrench's arrival, you will address yourself to Mr. Kennedy, in order that arrangements may be made to receive any deputation that your Chamber may wish to send on this occasion, or to consider written statements which may be forwarded by them.

It will be seen from the foregoing explanation that the matter requires early attention on the part of Associations or persons concerned.

I am, &c.
(Signed) EDMOND FITZMAURICE.

No. 150.

Mr. Haydon to Lord E. Fitzmaurice.—(Received August 11.)

Birmingham Chamber of Commerce, Offices, Exchange, New Street, August 10, 1883.

My Lord,

I BEG to acknowledge the receipt of your Circular of yesterday's date, for which I am obliged. The same shall be laid before the Council at their next meeting.

I am, &c.
(Signed) W. F. HAYDON, *Secretary.*

No. 151.

Mr. Smith to Lord E. Fitzmaurice.—(Received August 11.)

Chamber of Commerce, Dewsbury, August 10, 1883.

My Lord,

I AM in receipt of your Circular letter of yesterday's date on the subject of the Treaty of Commerce with Turkey, for which I am obliged. This Circular letter shall receive the early consideration of the Foreign Tariff Committee of this Chamber.

I have, &c.
(Signed) JESSE SMITH, *Secretary.*

No. 152.

Mr. Wykes to Lord E. Fitzmaurice.—(Received August 13.)

Chamber of Commerce, Leicester, August 11, 1883.

My Lord,

I BEG to acknowledge the receipt of your Circular letter, dated the 9th instant, on the subject of commercial relations with Turkey, which shall receive attention.

I have, &c.

(Signed) T. A. WYKES, *Secretary.*

No. 153.

Mr. Blood to Lord E. Fitzmaurice.—(Received August 13.)

The Incorporated Chamber of Commerce of Liverpool, Liverpool, August 11, 1883.

My Lord,

I BEG to acknowledge the receipt of your Lordship's Circular letter, dated the 9th instant, in reference to the notice given by the Turkish Government to terminate the Treaty of Commerce of the 29th April, 1861, between Great Britain and Turkey, under which the notice will expire on the 30th September next, and to the temporary measure the Turkish Government have substituted of an uniform rate of duty—8 per cent. *ad valorem*—for the Tariff of customs duties drawn up in pursuance of the Treaty of 1861.

Your Lordship's letter, adding that Her Majesty's Government have claimed, pending the negotiation of a fresh Treaty, that British subjects shall, under the provisions of earlier Treaties, enjoy, pending negotiations, complete most-favoured-nation treatment; that no answer has been received to this demand, which is held to be well-founded on the part of Her Majesty's Government, and with which compliance is expected. Also, that a statement has now been received showing the intentions of the Porte with regard to the new Ottoman Tariff, to the nature of which Her Majesty's Government have agreed in principle to the adoption; and that in the interests of British trade they have further consented to a discussion between British and Turkish Delegates as to the rates of duty to be fixed, and that if this Chamber wishes to make representations on any details of Tariff, or on matters affecting British trade with Turkey, Mr. C. M. Kennedy, C.B., and Mr. W. H. Wrench, Her Majesty's Consul at Constantinople, will receive at the Foreign Office the representations of the Chamber, which will be examined and placed before Her Majesty's Government, your Lordship's letter adding that the matter will require early attention.

This letter will be accompanied by a copy of a Report by this Chamber on Trade with Turkey, made in 1879.

I am, &c.

(Signed) WILLIAM BLOOD, *Secretary.*

No. 154.

Mr. Hill to Lord E. Fitzmaurice.—(Received August 14.)

Chamber of Commerce and Manufactures, Glasgow, August 13, 1883.

My Lord,

I BEG to acknowledge receipt of your communication of the 9th instant on the subject of the new Ottoman Tariff, which shall have the early consideration of the Committee of Directors of the Chamber on Foreign Affairs.

I have, &c.

(Signed) WILLIAM H. HILL, *Secretary.*

No. 155.

Mr. Plunkett to Earl Granville.—(Received August 15.)

(No. 237. Commercial. Confidential.)

My Lord,

Paris, August 13, 1883.

IN compliance with the instructions contained in your Lordship's despatch No. 134, Commercial, of the 3rd instant, I inquired of M. Challemel-Lacour on the 8th instant whether he had received any definite proposals from the Porte as to the revision of the Tariff annexed to the Treaty of Commerce between France and Turkey; and, if so, what were his views with regard to these proposals, and the negotiation of a new Commercial Treaty.

His Excellency said he must refer to the despatches, and would give me a reply next time he saw me.

This morning I called, by appointment, to receive his Excellency's reply. I am bound, however, to report that I found M. Challemel-Lacour disinclined to give much information.

Taking out of his drawer a very lengthy despatch dated the 8th August, and addressed, I believe, to the French Ambassador at Constantinople, he said the affair was too complicated to explain satisfactorily. There were so many questions of detail it was difficult to explain in a short conversation.

I offered, if his Excellency were too much occupied at present, to return at a more favourable hour.

He replied that he would tell me at once as much as would have most interest for Her Majesty's Government.

Turkey has made a definite proposal for the negotiation of a new Treaty; to this France is ready to agree, provided the terms suit her. But, in the meantime, France insists on the maintenance of the existing Treaty till the end of the present period, if a new Treaty is not concluded.

Turkey proposes to change the present system of *ad valorem* duties into specific duties. To this France has no objection in principle; but the reduction of the Tariff, from one system to the other, must be made in accord with the French, and the new Tariff must not be put in force till it has been approved by France.

Turkey proposes a reduction of duty on jewellery, which is of no great value to France.

I inquired whether she did not propose any reduction more useful to French trade, but his Excellency seemed disinclined to notice this inquiry.

Turkey proposes that in future customs duties be paid in gold medjidiehs.

His Excellency said he saw no objection himself, but this question would be further considered on the spot.

I reminded M. Challemel-Lacour of the great hardship that had been inflicted on foreign trade with Russia by the order that customs dues were to be paid in gold. The practice for some time had been (I did not know whether it still continued) to fix the value of the goods in ordinary paper roubles, and then to calculate the duty on that basis, but to make it payable in gold. This in some cases increased the duty really paid by 30 or 40 per cent. I presumed means would be taken to prevent such an abuse in the case of Turkey.

M. Challemel-Lacour seemed struck by this observation, and said he would keep it in mind.

I begged his Excellency to remember that, as I had come merely to ask a question, any observations which I had made came only from myself; I had no instructions yet as to the views of Her Majesty's Government with regard to this question.

I have, &c.

(Signed) F. R. PLUNKETT.

No. 156.

Mr. Wyndham to Earl Granville.—(Received August 16.)

(No. 251. Commercial.)

My Lord,

Therapia, August 12, 1883.

WITH reference to my despatch No. 232, Commercial, of the 28th ultimo, I have the honour to report that the concessions therein mentioned as having been made to the

Porte by the German Government as to commercial negotiations are the same as those I mentioned in my No. 195 of the 11th July, viz., that the German Government will admit of a duty in excess of 8 per cent. being charged upon certain articles, provided the new scale of duties does not increase, in the aggregate, the burdens imposed by the present Tariff upon German trade.

The French Ambassador informed me on the 10th instant that he had not yet forwarded to his Government the proposals of the Porte for a new Tariff, which, I believe, are the same as those made to Her Majesty's Government; and I gathered from his Excellency's remarks that they would not be acceptable.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 157.

Mr. Spicer to Lord E. Fitzmaurice.—(*Received August* 21.)

Incorporated Chamber of Commerce, Royal Exchange, Leeds, August 20, 1883.

My Lord,

I AM directed to acknowledge receipt of your communication of the 9th instant relating to Treaty negotiations with Turkey.

The subject has been under the consideration of a Committee of the Council of this Chamber, and a Deputation will wait on Mr. Kennedy, C.B., and Mr. Wrench, to whom some important considerations will be addressed.

Following your instructions, I shall write to Mr. Kennedy regarding the necessary arrangements.

I remain, &c.
(Signed) T. W. SPICER, *Secretary.*

No. 158.

Mr. Steinthal to Lord E. Fitzmaurice.—(*Received August* 23.)

Chamber of Commerce, Manchester, August 22, 1883.

My Lord,

YOUR Lordship's Circular letter of the 9th instant, with regard to the termination of the Treaty of Commerce of the 29th April, 1861, between Great Britain and Turkey, has had the careful consideration of this Chamber.

It is observed that in the place of a separate Tariff annexed to a Commercial Treaty, the intention of the Ottoman Porte is to establish an uniform Conventional Tariff applicable to all countries with which a Commercial Treaty may be concluded, and that it is further proposed to abolish *ad valorem* duties, and in their place to introduce specific duties equivalent to rates that will vary from 8 to 20 per cent.

In the letter of your Lordship, addressed to this Chamber under date the 5th March last, the Directors were informed that "it is intended to consult them at the proper time with respect to proposed alterations in the Tariff annexed to the Treaty:" it is therefore with regret that the Chamber now learns that "Her Majesty's Government have agreed in principle to the adoption of a Tariff of this nature," and, in the absence of a consultation with commercial bodies, to a change of the principle of the duties, which must in so important a degree affect the future commerce between this country and Turkey.

The Chamber desires to thank your Lordship for the opportunity which at this stage is now offered for representations to the Foreign Office, through Mr. C. M. Kennedy, C.B., and Mr. Wrench, Her Majesty's Consul at Constantinople, to assist in the consideration "of the rates of duty to be fixed as a proper equivalent in the case of British goods for the corresponding *ad valorem* rate determined in each instance."

The principal merchants in this city trading with Turkey have been invited to give their views to the Chamber as to the prospective change from *ad valorem* to specific duties, and as to the advance of the duties to vary from an equivalent of from 8 to 20 per cent.

It is hoped that the Chamber will in a few days be in a position to communicate the particulars to Mr. Kennedy, as your Lordship has suggested.

I have, &c.
(Signed) H. M. STEINTHAL, *Vice-President.*

No. 159.

Earl Granville to Mr. Wyndham.

(No. 145. Commercial.)

Sir,

Foreign Office, August 23, 1883.

I TRANSMIT herewith, for your information, a copy of a despatch from Mr. Plunkett, reporting a conversation with M. Challemel-Lacour on the subject of commercial negotiations between France and Turkey.*

I am, &c.
(For Earl Granville),
(Signed) EDMOND FITZMAURICE.

No. 160.

Earl Granville to Mr. Wyndham.

(Commercial.)
(Telegraphic.)

Foreign Office, August 23, 1883, 3·30 P.M.

REPORT by telegram, as soon as you can, on the following questions:—First, Porte's answer as to most-favoured-nation treatment after 30th next month; secondly, publication of new Tariff of quay dues at Smyrna.

No. 161.

Mr. Wyndham to Earl Granville.—(*Received August* 24, 2·45 P.M.)

(Commercial)
(Telegraphic.)

Constantinople, August 24, 1883, 12·50 P.M.

YOUR Lordship's telegram of yesterday.

Agent of Smyrna Quay Company informed me last night that tariff and regulations are to come into force on the 27th instant; and according to information from the Ministry of Public Works, instructions to the above effect were sent yesterday to Governor-General of Smyrna.

I have as yet no answer as to most-favoured-nation treatment.

No. 162.

Lord E. Fitzmaurice to Mr. Steinthal.

Sir,

Foreign Office, August 24, 1883.

I AM directed by Earl Granville to acknowledge the receipt of your letter of the 22nd instant, and, as some misapprehension appears to exist, to supply you, for the information of the Manchester Chamber of Commerce, with the following explanation in regard to the Turkish Tariff:

Under the Tariff of 1861, which was in force up to last May, specific duties were established for British cotton goods imported into Turkey; the adoption last May by the Porte of an uniform *ad valorem* duty was a temporary measure; Her Majesty's Government cannot object to the adoption by the Porte of a Conventional Tariff, applicable generally to all nations with whom Turkey may conclude a Commercial Treaty, instead of the former system by which a separate Conventional Tariff was concluded with each country.

The arrangement proposed in my letter of the 9th instant, with the view to ascertain the wishes of the cotton trade before any fresh definite engagement is come to between Great Britain and Turkey, fulfils the promise to this effect given in my previous communication of the 5th March.

I am, &c.
(Signed) EDMOND FITZMAURICE.

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* No. 155.

No. 163.

Mr. Steinthal to Lord E. Fitzmaurice.—(*Received August* 29.)

Chamber of Commerce, Manchester, August 28, 1883.

My Lord,

I HAVE the honour to acknowledge receipt of your Lordship's letter of the 24th instant, in which you have been good enough to offer explanations of the circumstances under which Her Majesty's Government agreed to the proposals of the Turkish Government for the substitution of specific in the place of *ad valorem* duties in the Turkish new Conventional Tariff.

In the letter of this Chamber of the 22nd instant reference was made to the promise that the Chamber should be consulted "at the proper time with respect to proposed alterations in the Tariff annexed to the Treaty." The Chamber is reluctant to refer further to the subject, but, after perusal of your Lordship's letter, it would desire to point out that, by Article V of the Treaty of the 29th April, 1861, it is stipulated that the duties on the productions of Great Britain "shall in no case exceed one fixed rate of 8 per cent. *ad valorem*, or a specific duty, fixed by common consent, equivalent thereto." Taken, therefore, in conjunction with your Lordship's Circular letter of the 9th instant, it would appear to be intimated, and without the possibility of misapprehension, that in the new Commercial Treaty the "8 per cent. duty *ad valorem*," provided for in Article V, would be abandoned, and in its place, as the Turkish Government proposed, "the total abolition of *ad valorem* duties, and the adoption of specific duties varying from 8 to 20 per cent."

It was on this point the Chamber ventured respectfully to submit that it was desirable Her Majesty's Government should have consulted commercial bodies interested in the trade in the first place, and before giving its adhesion to the proposal of enhanced and specific duties for a new Tariff.

If the Turkish Government is under the erroneous impression that, by raising its duties on British products, it will increase its income, it appears impolitic on the part of Her Majesty's Government to assent to such an increase being fixed by Treaty for a term of years, a course which must alike be injurious to Turkey and to this country.

I have, &c.

(Signed) H. M. STEINTHAL.

No. 164.

Mr. Wyndham to Earl Granville.—(*Received August* 30.)

(No. 255. Commercial.)

Therapia, August 16, 1883.

My Lord,

I HAVE the honour to acknowledge the receipt of your Lordship's despatch No. 133, Commercial, of the 7th instant, and to inclose herewith copy of a note which I have addressed to Aarifi Pasha, Ottoman Minister for Foreign Affairs, in which I have called his Highness' attention to the fact that I have not as yet received an answer to my note of the 15th June last, and have pointed out to him that Her Majesty's Government still maintain the demands contained in it, and that they are, moreover, of opinion that the most satisfactory course would be for the Sublime Porte to prolong, by a formal Declaration, the duration of the Treaty of 1861 and the present uniform duty of 8 per cent. *ad valorem* for one or more years, in order to allow sufficient time for negotiation and to afford security to trade.

I have, &c.

(Signed) HUGH WYNDHAM.

Inclosure in No. 164.

Mr. Wyndham to Aarifi Pasha.

Therapia, August 15, 1883.

M. le Ministre,

ON the 13th April last I had the honour to address a note to your Highness requesting the Sublime Porte to engage definitively to accord to Great Britain most-favoured-nation treatment in the event of the lapse of the Treaty and Tariff of 1861 before negotiations for a new Treaty and Tariff shall have been concluded, and again on

the 15th June last I addressed a further note to your Highness, stating that I trusted the Sublime Porte would soon be in a position to give Her Majesty's Government the engagement above mentioned, and laying before your Highness in detail the views of Her Majesty's Government on the point.

I now beg to call your Highness' attention to the fact that, up to the present, no reply has been received by Her Majesty's Embassy to the last-mentioned note, and in doing so I am instructed by Earl Granville to state that Her Majesty's Government maintain the demands made in that note.

Her Majesty's Government are, moreover, of opinion that the most satisfactory course would be for the Sublime Porte to prolong by a formal Declaration (which I should be authorized to sign on the part of Her Majesty's Government) the duration of the Treaty of 1861, and the present uniform duty of 8 per cent. *ad valorem* for one or more years in order to allow sufficient time for negotiation and to afford security to trade.

I venture to hope that your Highness will take this matter into your early consideration, and will favour me with a reply as soon as possible.

I avail, &c.

(Signed) HUGH WYNDHAM.

No. 165.

Mr. Wyndham to Earl Granville.—(*Received August* 30.)

(No. 265. Commercial.)

Therapia, August 22, 1883.

My Lord,

WITH reference to my despatches Nos. 232 and 251, Commercial, of the 28th July and 12th August respectively, I have the honour to report to your Lordship that the German Delegate for commercial negotiations with the Porte informed me yesterday that he had stated to it that his Government were willing to admit of customs duties being levied up to 12, 13, and even 14 per cent., but that the Grand Vizier was not satisfied with this concession, and persisted in demanding the application of higher duties, which the German Delegate said his Government would not admit. Under the circumstances, he stated that he thought that, unless the Turkish Government consented to agree to the concessions proposed by his Government, the *status quo* must be maintained, the German Treaty of Commerce with Turkey having still another seven years to run.

I have, &c.

(Signed) HUGH WYNDHAM.

No. 166.

Lord E. Fitzmaurice to Mr. Steinthal.

Foreign Office, September 1, 1883.

Sir,

I AM directed by Earl Granville to acknowledge the receipt of your letter of the 28th ultimo, and, in reply, I am to state that the points of detail connected with the Turkish Tariff, with respect to which the Manchester Chamber of Commerce appears to be under some misapprehension, will be explained when, as suggested in the letter from this Office of the 9th of last month, their delegates place themselves, with respect to this Tariff, in communication with Mr. Kennedy and Mr. Wrench.

I am, &c.

(Signed) EDMOND FITZMAURICE.

No. 167.

Mr. Browning to Earl Granville.—(*Received September* 4.)

Chamber of Commerce, Manchester, September 4, 1883.

My Lord,

I HAVE the honour to acknowledge receipt of letter from the Foreign Office under date the 1st instant, with reference to the new Turkish Tariff, which was laid before the Board of Directors at a meeting held yesterday.

The leading firms engaged with trade with Turkey in this city have been invited to make known their views on the prospective changes in the Tariff as contemplated by the Ottoman Government, and much valuable information has been obtained useful for the negotiations in Constantinople.

I am directed to suggest that it would be desirable to arrange for an interview in this city between the merchants and Mr. C. M. Kennedy, and Mr. Wrench, the British Consul at Constantinople.

If by the favour of your Lordship an appointment can be made for this purpose, it would be a convenience to have timely notice of the date; and in the meantime the Chamber will undertake to prepare the particulars relating to the trade with Turkey, to submit to these gentlemen, for their information and guidance, at the forthcoming Conference.

I have, &c.
(Signed) THOS. BROWNING, *Secretary.*

No. 168.

Mr. Hole to Earl Granville.—(Received September 5.)

Association of Chambers of Commerce of the United Kingdom,
1, Great College Street, Westminster, September 5, 1883.

My Lord,

IT is intended to hold our autumnal meeting of the Chambers in this Association at Derby on the 2nd and 3rd October, and our Executive Council would be much gratified if you would permit Mr. C. M. Kennedy to be present, as it is most likely that many of the Delegates will be glad to confer with him on the Ottoman Tariff referred to in a letter from the Foreign Office of the 9th August, 1883.

I have, &c.
(Signed) JAMES HOLE.

No. 169.

Messrs. Beshiktaslian and Co. to Earl Granville.—(Received September 5.)

32, Oxford Street, Manchester, September 3, 1883.

My Lord,

WE are informed that negotiations are in progress between Her Majesty's Government and the Ottoman Porte for a new Treaty of Commerce, and that the present Treaty, *i.e.*, the Treaty of the 29th April, 1861, will come to an end on the 30th of this month.

Our firm is largely engaged in the Turkish trade, and during the present and ensuing months will make considerable shipments of cotton goods to Turkey. Under these circumstances, and in the prospect of a change of duties being imposed on the 1st October next, may we respectfully request at the hands of your Lordship information to guide us in making shipments after the 30th instant, and whether it is understood that on the 1st October next, and until the termination of the negotiations for the new Treaty, the present scale of duties will be in force; or, on the other hand, that other and higher duties will be imposed on goods arriving in Turkey from this country after the 30th instant? Also, if the latter date is according to the English calendar, or 30th September, o.s.?

We have, &c.
(Signed) M. BESHIKTASLIAN AND Co.

No. 170.

Mr. Brown to Mr. Lister.—(Received September 5.)

Macclesfield Chamber of Commerce, Town Hall,
Macclesfield, September 4, 1883.

Sir,

MY Chamber are about to hold a meeting concerning the Turkish Treaty. I will feel obliged by your forwarding a copy of the terms of the Treaty, or any information in reference thereto.

Yours, &c.
(Signed) R. BROWN, *Secretary.*

No. 171.

Earl Granville to Mr. Wyndham.

(No. 157. Commercial.)

Sir,

Foreign Office, September 5, 1883.

I APPROVE the note which you addressed to Aarifi Pasha on the 15th August, a copy of which is inclosed in your despatch No. 255, Commercial, of the 16th ultimo, relative to the prolongation of the existing Commercial Treaty and Tariff between Great Britain and Turkey.

This question is important and urgent on account of the near approach of the date when the Treaty of the 29th April, 1861, will expire. I have therefore to request that you will continue to press for an answer, if it has not already been received, to the representations which you have made to the Porte on the subject.

I am, &c.
(Signed) GRANVILLE.

No. 172.

Mr. Lister to Messrs. Beshiktaslian and Co.

Gentlemen,

Foreign Office, September 6, 1883.

IN reply to the inquiries contained in your letter of the 3rd instant, I am directed by Earl Granville to inform you that, under notice given by the Porte, the Commercial Treaty of the 29th April, 1861, between Great Britain and Turkey, will expire on the 30th of this month (N.S.).

I am further to state that no reply has yet been received to the communication made to the Porte with respect to the Tariff to be applied after the 30th instant to British goods imported into Turkey; Her Majesty's Government have asked that the present duty of 8 per cent. *ad valorem* may be continued pending negotiations. As soon as the answer of the Porte is received, an announcement will be published in the "London Gazette."

I am, &c.
(Signed) T. V. LISTER.

No. 173.

Mr. Lister to Mr. Brown.

Sir,

Foreign Office, September 6, 1883.

IN reply to the inquiry contained in your letter of the 4th instant, I am directed by Earl Granville to state that his Lordship is not at present in a position to communicate information with respect to commercial negotiations with Turkey beyond that contained in the letter from this Office of the 9th ultimo.

In case the original may not have reached the Macclesfield Chamber of Commerce, a duplicate is herewith inclosed.

I am, &c.
(Signed) T. V. LISTER.

No. 174.

Earl Granville to Mr. Kennedy and Mr. Wrench.

Gentlemen,

Foreign Office, September 10, 1883.

YOU will learn from the inclosed Circulars to Chambers of Commerce that I have requested the Commercial Associations in the United Kingdom interested in trade with Turkey, to consider the proposals contained in the letter from Bertram Effendi and Portugal Effendi of the 2nd July last, and to communicate with you on the subject.*

I accordingly appoint you to confer with these bodies and persons interested in trade with Turkey on the proposed new Turkish Tariff, as set forth in the papers which accompany that letter; and to report to me respecting the representations thus made on

* No. 149.

the Tariff, and on other matters connected with the commercial relations between Great Britain and Turkey.

I shall be glad to receive your Report as soon as possible after the meeting of the Associated Chambers of Commerce at the beginning of next month.

I am, &c.
(Signed) GRANVILLE.

No. 175.

Mr. Cartali to Lord E. Fitzmaurice.—(Received September 12.)

5, York Street, Manchester, September 11, 1883.

My Lord,

BEING largely interested in trade with Turkey I am anxious to know whether the increased duties on English manufactured goods are coming into operation shortly, or at a later period. You will confer a great favour by informing me, if possible immediately, that I may regulate my shipments to that country in accordance.

I remain, &c.
(Signed) THᴱᵘ. CARTALI.

No. 176.

Lord E. Fitzmaurice to Mr. Browning.

Foreign Office, September 12, 1883.

Sir,

I HAVE laid before Earl Granville your letter of the 4th instant, and, in reply, I am to state that his Lordship accedes to the request of the Directors of the Manchester Chamber of Commerce that Mr. Kennedy and Mr. Wrench should meet, in Manchester, the members of the Chamber and merchants interested in trade with Turkey, for the purpose of considering the Turkish Tariff.

It is proposed that this meeting should take place on Tuesday the 25th instant.

I am, &c.
(Signed) EDMOND FITZMAURICE.

No. 177.

Lord E. Fitzmaurice to Mr. Hole.

Foreign Office, September 12, 1883.

Sir;

IN reply to your letter of the 5th instant, I am directed by Earl Granville to state that his Lordship accedes to the request of the Executive Council of the Association of Chambers of Commerce that Mr. Kennedy should attend the meetings to be held at Derby on the 2nd and 3rd of next month.

I am, &c.
(Signed) EDMOND FITZMAURICE.

No. 178.

Mr. Wyndham to Earl Granville.—(Received September 13.)

(No. 282. Commercial.)

Therapia, September 6, 1883.

My Lord,

I HAVE the honour to inform your Lordship that I to-day again reminded Aarify Pasha that I was still without an answer to my notes of the 13th April, the 15th June, and the 15th August respectively, and that, as the date for the expiration of the Commercial Treaty between Turkey and Great Britain was drawing very near, I begged him to take the question into immediate consideration. I told his Highness that Her Majesty's Government were, I was sure, anxious for a speedy reply, your Lordship having instructed me to telegraph its substance as soon as I received it.

Aarify Pasha said he would at once attend to the matter.

I have, &c.
(Signed) HUGH WYNDHAM.

No. 179.

Mr. Hole to Lord E. Fitzmaurice.—(Received September 13.)

Association of Chambers of Commerce of the United Kingdom, 1, Great College Street, Westminster, September 13, 1883.

My Lord,

I BEG to acknowledge the receipt of your letter of yesterday, and our Council will be glad to have the benefit of Mr. Kennedy's presence at our autumnal meeting.

We shall also be glad to have the presence of Mr. Consul Wrench at our meeting, and I have written to the Derby Chamber of Commerce requesting them to forward him the cards of invitation.

I have, &c.
(Signed) JAMES HOLE.

No. 180.

Mr. Spice to Mr. Kennedy.—(Received September 14.)

Incorporated Chamber of Commerce, Royal Exchange, Leeds, September 13, 1883.

Sir,

IN the absence of the President, I am directed by the Vice-President to say that, hearing you and Mr. Wrench have accepted the invitation of the Manchester Chamber of Commerce to confer with them on Tuesday, the 25th instant, on the proposed new Turkish Tariff, it would be very desirable if you could extend your visit to Yorkshire, as several trades in the West Riding are interested.

The Vice-President wishes me to say that the Leeds Chamber will be glad to see you on Wednesday, the 26th instant, and, on hearing that this will suit you, invitations will be sent to the other Yorkshire Chambers requesting them to appoint deputations to meet you here. This would be more convenient than sending delegates from Yorkshire to London.

Yours, &c.
(Signed) T. W. SPICE, *Secretary.*
(*Pro* W. L. Brodie.)

No. 181.

Mr. Browning to Lord E. Fitzmaurice.—(Received September 14.)

Chamber of Commerce, Manchester, September 13, 1883.

My Lord,

I HAVE the honour to acknowledge receipt of your Lordship's letter of the 12th instant, suggesting Tuesday, the 25th instant, as the date for Mr. Kennedy and Mr. Wrench visiting this city, to meet the members of the Chamber and merchants interested in the trade with Turkey.

I am to state that, unfortunately, the 25th being Tuesday—a market-day, it would be unfavourable for securing a satisfactory attendance, and, in its place, I am to suggest Thursday, the 27th instant; meanwhile the Chamber will make all needful arrangements to provide information and attendance of the leading merchants in the trade.

I shall be glad to receive your Lordship's early reply; and I hope the altered date will be convenient for the attendance of Mr. Wrench and Mr. Kennedy.

I have, &c.
(Signed) THOS. BROWNING, *Secretary.*

No. 182.

Mr. Guillian to Lord E. Fitzmaurice.—(Received September 14.)

Adelaide Chambers, 52, Gracechurch Street, London, September 13, 1883.

My Lord,

I AM desired to acknowledge the receipt of your Circular of the 11th ultimo, and to state that our glass manufacturers will be pleased to have an interview with Mr. W. H. Wrench in reference to the revision of the Turkish Commercial Tariff, and at same

they will be prepared to suggest the duties that should be adopted in substitution of the present *ad valorem* of 7·20 per cent. upon their productions.

I am, &c.
(Signed) G. GWILLIAM,
Secretary to the Associated Glass Manufacturers.

No. 183.

Lord E. Fitzmaurice to Mr. Cartali.

Foreign Office, September 15, 1883.

Sir,

I AM directed by Earl Granville to acquaint you, in reply to the inquiries contained in your letter of the 11th instant, that Her Majesty's Government are at present without definite information as to the date at which the new scale of duties on English manufactured goods will be put in force within the Ottoman dominions.

I am, &c.
(Signed) EDMOND FITZMAURICE.

No. 184.

Mr. Lister to Mr. Spice.

Foreign Office, September 15, 1883.

Sir,

IN reply to your letter of the 13th instant, I am directed by Earl Granville to state that Mr. Kennedy and Mr. Wrench will attend a meeting of Yorkshire Chambers of Commerce at Leeds on the 26th instant.

It will be necessary, however, that the Yorkshire Chambers which desire to confer personally with them should send delegates to meet at one locality, unless they should prefer to come to London.

I am therefore to request that you will make the necessary arrangements with this object with the several Yorkshire Chambers of Commerce.

I am, &c.
(Signed) T. V. LISTER.

No. 185.

Mr. Lister to Mr. Browning.

Foreign Office, September 15, 1883.

Sir,

IN reply to your letter of the 13th instant, I am directed by Earl Granville to state that Mr. Kennedy and Mr. Wrench will attend a meeting of the Manchester Chamber of Commerce on the 27th instant.

I am, &c.
(Signed) T. V. LISTER.

No. 186.

Earl Granville to Mr. Wyndham.

(No. 162. Commercial.)

Foreign Office, September 17, 1883.

Sir,

I APPROVE the verbal communication addressed by you to Aarify Pasha, as reported in your despatch No. 282, Commercial, of the 6th instant, on the subject of the existing commercial relations between Great Britain and Turkey.

I am, &c.
(Signed) GRANVILLE.

No. 187.

Mr. Spice to Mr. Lister.—(Received September 18.)

Incorporated Chamber of Commerce, Royal Exchange, Leeds, September 17, 1883.

Sir,

I HAVE the honour to acknowledge the receipt of your telegram and letter of the 15th instant, informing me that Mr. Kennedy, C.B., and Mr. Wrench, will attend a meeting of Yorkshire Chambers of Commerce at Leeds on the 26th instant.

Invitations have been issued to-day to all the Chambers in the West Riding of Yorkshire to send delegates to meet Mr. Kennedy and Mr. Wrench.

All necessary arrangements shall be made, and Mr. Kennedy shall be informed of the exact place and hour of meeting.

I have, &c.
(Signed) T. W. SPICE, *Secretary.*

No. 188.

Earl Granville to the Earl of Dufferin.

(No. 166. Commercial.)

Foreign Office, September 20, 1883.

My Lord,

AMONG the subjects to which I have to request that your Excellency will give the earliest attention on your return to Constantinople is the question of the commercial relations between Great Britain and Turkey. You are fully aware of the circumstances connected with the notice given by the Porte to terminate the Treaty of Commerce of the 29th April, 1861, under which this Treaty will expire on the 30th instant. The Tariff annexed to it, which was terminable before the Treaty, has already expired.

The correspondence in print herewith inclosed will make your Excellency acquainted with what has passed in this matter since the date of your departure from Constantinople. You will perceive that last May the Porte put an end to the Tariff of 1861, and replaced it by an uniform *ad valorem* duty of 8 per cent. This step was at variance with the assurance of the Porte, recorded in Mr. Wyndham's despatch No. 68, Commercial, of the 2nd April, that the Tariff then in force should continue in operation until the 30th September; but as no great objection was made by British merchants to this change, Her Majesty's Government, by my despatch No. 76, Commercial, of the 5th June, accepted this arrangement, while making a reserve as to the manner in which the Porte had acted in the matter, a course which was in direct contradiction of the declarations on the subject previously made to Her Majesty's Embassy.

In this state of things, and considering that the Porte had not offered any proposals in regard to the negotiation of a new Treaty, Her Majesty's Government brought forward last June the question as to the position of British subjects and trade in Turkey in the event of the expiration of the Treaty of 1861 before a fresh Treaty has been concluded.

I have to request your Excellency's particular attention to my despatch No. 74, Commercial, of the 5th June, on this point, in which it will be seen that if the Treaty of 1861 lapses most-favoured-nation treatment is claimed under older international engagements. You will learn from my subsequent despatch No. 133, Commercial, of the 7th August, that Her Majesty's Government maintain the demand thus made in June, while they consider that the most satisfactory course would be for the Porte to prolong, by a formal Declaration, the duration of the Treaty of 1861. You will perceive, however, that the Porte have not as yet replied to the above communications.

I have accordingly to request that, upon your arrival at Constantinople, you will inform the Porte that Her Majesty's Government maintain the demands mentioned above, and that, in the event of no declaration prolonging the duration of the Treaty of 1861 having been signed before the 1st October next, it will be assumed that British trade will nevertheless continue to receive most-favoured-nation treatment under the privileges conceded to British merchants by the Treaties and Capitulations prior to the Treaty of 1838.

I am, &c.
(Signed) GRANVILLE.

No. 189.

Mr. Blood to Lord E. Fitzmaurice.—(Received September 21.)

The Incorporated Chamber of Commerce of Liverpool,
Liverpool, September 20, 1883.

My Lord,

INFORMATION has been received by this Chamber with respect to arrangements made by the Chamber of Commerce at Manchester, by which that Chamber will be visited by Mr. Wrench, British Consul at Constantinople, and Mr. Kennedy, C.B., of the Foreign Office, to confer with the Directors of the Chamber on matters connected with the Treaty of Commerce between Great Britain and Turkey.

The importance of the interests of this port in the Levant are so great, that I am to convey to your Lordship the wish, on the part of this Chamber, that Mr. Wrench and Mr. Kennedy may be permitted to visit Liverpool, also with the same object.

I have, &c.
(Signed) WILLIAM BLOOD, *Secretary.*

No. 190.

Mr. Lister to Mr. Blood.

Foreign Office, September 21, 1883.

Sir,

I AM directed by Earl Granville to state that, in compliance with the request made in your letter of yesterday, Mr. Kennedy and Mr. Wrench will visit Liverpool on Friday next, the 28th instant.

I am, &c.
(Signed) T. V. LISTER.

No. 191.

Mr. Blood to Mr. Lister.—(Received September 24.)

The Incorporated Chamber of Commerce of Liverpool,
Liverpool, September 22, 1883.

Sir,

I BEG to acknowledge the receipt of your letter of the 21st instant, in answer to the request made in the letter from this Office of the 20th instant, saying that you are directed to state, by Earl Granville, in compliance with the request, that Mr. Kennedy and Mr. Wrench will visit Liverpool on Friday next, the 28th instant.

I am, &c.
(Signed) WILLIAM BLOOD, *Secretary.*

No. 192.

Mr. Lister to Sir T. Farrer.

Foreign Office, September 25, 1883.

Sir,

I AM directed by Earl Granville to transmit to you, to be laid before the Board of Trade, a statement respecting the proposed new Turkish Tariff. This document is now being discussed by Mr. Kennedy and Mr. Wrench with Commercial Associations in this country, in conformity with the letter to those bodies, of which a copy is also herewith inclosed.

Lord Granville will be glad to receive any observations which the Board of Trade may have to offer in regard to the Turkish Tariff.

I am, &c.
(Signed) T. V. LISTER.

No. 193.

Earl Granville to Mr. Wyndham.

(Telegraphic.) *Foreign Office, September 27, 1883, 3·20 P.M.*

YOUR No. 255, Commercial, of August 16th.

Press Porte for early answer as to what duties will be levied on British goods after 30th instant.

No. 194.

Mr. Plunkett to Earl Granville.—(Received September 28.)

(No. 285. Commercial. Confidential.)

My Lord, *Paris, September 27, 1883.*

WITH reference to my despatch No. , I have the honour to transmit herewith to your Lordship a despatch which I have received from Mr. Crowe on the subject of the French commercial negotiations at Constantinople.

I have, &c.
(Signed) F. R. PLUNKETT.

Inclosure in No. 194.

Mr. J. A. Crowe to Mr. Plunkett.

(Confidential.)

Sir, *Paris, September 27, 1883.*

I SAW M. Marie, Director in the Ministry of Commerce, yesterday, and he spoke of the negotiations between his Government and that of the Porte for a modification of the Turkish Tariff. I do not know what language the French authorities at Constantinople have been holding, but I gathered from M. Marie's words that there was no intention on the part of France to encourage changes in the Turkish Tariff, or to consent to any Turkish proposal for raising the duties to a higher figure than 8 per cent. M. Marie said the duties were fairly low. They must last, so far as France was concerned, at least for seven years. Seven years was an age in the existence of Turkey, and who could tell what would befall the "sick man" between this and seven years hence.

I have, &c.
(Signed) J. A. CROWE

No. 195.

Mr. Wyndham to Earl Granville.—(Received September 28, 4 P.M.)

(Telegraphic.) *Constantinople, September 28, 1883, 12·15 P.M.*

YOUR Lordship's telegram of yesterday.

I saw Minister for Foreign Affairs on the 24th instant, and pressed him for an answer as to duties, pointing out that uncertainty was most injurious to trade. His Highness said that he would endeavour to give me a reply on the 25th, but he informed Dragoman I sent to him that day that he was unable to do so.

No. 196.

Mr. Andrew to Lord E. Fitzmaurice.—(Received September 29.)

Oldham Master Cotton-Spinners', &c., Association,
12, Clegg Street, Oldham, September 27, 1883.

My Lord,

THIS Association has decided to use its influence in keeping down the Turkish Tariff duties, and for this purpose would prefer to make a statement direct to Foreign Office on its own account, as representing the largest industrial cotton centre.

Kindly say if your Lordship would prefer to have this statement in writing through me as its Secretary, or by a deputation from this Association waiting on your Lordship at the Foreign Office.

Yours, &c.
(Signed) S. ANDREW, *Secretary.*

No. 197.

Mr. Lister to Mr. Andrew.

Foreign Office, October 1, 1883.

Sir,

I AM directed by Earl Granville to acknowledge the receipt of your letter of the 27th ultimo to Lord Edmond Fitzmaurice. I am to state, in reply, that, as a matter of convenience, it has been arranged that Mr. Kennedy and Mr. Wrench should receive communications at the Foreign Office from commercial bodies relative to the Turkish Tariff, and that they will be ready to confer with your Association. If, however, your Association prefers to communicate directly with this Office, Lord Granville will be very glad to receive a written statement from them.

I am, &c.
(Signed) T. V. LISTER.

No. 198.

Mr. Andrew to Lord E. Fitzmaurice.—(*Received October* 5.)

Oldham Master Cotton-Spinners', &c., Association,
12, *Clegg Street, Oldham, October* 3, 1883.

My Lord,

THIS Committee has decided to send a deputation to meet Mr. Wrench and Mr. Kennedy at the Foreign Office. Would you kindly fix a day when these gentlemen would receive our deputation? As Tuesday and Friday are market days in Manchester, it would be convenient to avoid making a fixture on these days.

Yours, &c.
(Signed) SAM. ANDREW, *Secretary.*

No. 199.

Mr. Giffen to Lord E. Fitzmaurice.—(*Received October* 5.)

Office of Committee of Privy Council for Trade,
October 5, 1883.

My Lord,

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 25th ultimo, transmitting, by direction of Earl Granville, a statement respecting the proposed new Turkish Tariff, which you state is now being discussed by Mr. Kennedy and Mr. Wrench with commercial Associations in this country, and requesting to be furnished with the observations of this Board upon the Tariff in question.

In reply, I am to state that the Board of Trade observe with regret that the proposed Tariff increases materially the duties on most British goods imported into Turkey. Out of a total import into Turkey of about 16,000,000*l.*, the imports from the United Kingdom amount to nearly 7,000,000*l.*, or more than 40 per cent.; and of these 7,000,000*l.* cotton tissues, which will be taxed about 20 per cent. under the new Tariff, instead of 8 per cent., amounted to 4,250,000*l.* in 1882.

A similar increase is made on woollen manufactures, of which Turkey took 300,000*l.* last year; and the duties on some minor articles, such as earthenware and glass and metal manufactures, will also be raised to the same extent.

The Board of Trade consider that these increased duties are likely to diminish our trade with Turkey, and also, by increasing smuggling, to affect the customs revenue, which at present amounts to about 1,750,000*l.*, or about a ninth of the total revenue. The facilities for warehousing appear likely to be increased, but this Board do not anticipate that such facilities will compensate for higher customs rates, in view of the present tendency to keep small stocks of goods and to give hand-to-mouth orders by telegram.

The Board of Trade would desire to see the establishment of a Tariff of 8 or 10 per cent., to be levied specifically or *ad valorem*, at the option of the importer; but, in case of a purely specific Tariff being insisted on, they consider that power should be reserved to revise the valuation Tariff periodically, at the option of Her Majesty's Government, so as to secure British goods against the incidence of the specific rates being increased by a fall in prices.

I have, &c.
(Signed) R. GIFFEN.

No. 200.

Lord E. Fitzmaurice to Mr. Andrew.

Foreign Office, October 5, 1883.

Sir,

IN reply to your letter of the 3rd instant, I am directed by Earl Granville to state that Mr. Kennedy and Mr. Wrench will be happy to receive at this Office, on Monday or Wednesday next, as may be most convenient, at 2·15 P.M., the proposed deputation from the Oldham Master Cotton-Spinners', &c., Association.

I am, &c.
(Signed) EDMOND FITZMAURICE.

No. 201.

Earl Granville to the Earl of Dufferin.

(Commercial.)
(Telegraphic.) *Foreign Office, October* 8, 1883, 4·45 P.M.

WHAT is doing as regards our Commercial Treaty and Tariff?

No information has been received from Her Majesty's Embassy since Mr. Wyndham's telegram of the 28th ultimo.

No. 202.

Report by M. Callinus, Belgian Delegate in Commercial Negotiations at Constantinople.—(*Communicated confidentially by Baron Solvyns, October* 8, 1883.)

M. le Ministre,

Constantinople, le 6 Septembre, 1883.

LA lecture de la dépêche du 17 Août dernier de son Excellence M. le Ministre des Affaires Étrangères m'induit à croire qu'il ne serait pas inopportun de vous présenter un résumé succinct des différents rapports que j'ai eu l'honneur d'adresser à la Légation du Roi sur la situation créée par la dénonciation de notre Traité de Commerce et sur les négociations qui en ont été la suite. Ce résumé est destiné à former un aperçu rapide et de nature à donner une idée d'ensemble de cette situation.

J'ai pris la liberté d'y ajouter quelques considérations sur les démarches qui m'ont paru aptes à faire connaître au Gouvernement du Roi les dispositions des Puissances, afin que nous soyons sûrement guidés et que nous agissions avec pleine connaissance de cause dans une affaire aussi importante que celle de l'avenir de notre commerce dans le Levant.

La Turquie a dénoncé tous les Traités de Commerce existant entre elle et les Puissances. Ces Traités étaient de deux espèces; les uns, parmi lesquels le nôtre, de nature à être dénoncés et à cesser d'exister après cette dénonciation;* les autres ne pouvaient pas être dénoncés étant seulement susceptibles de révision, c'est-à-dire, pouvant subir des modifications non fondamentales à la fin de la quatorzième et de la vingt et unième année.†

En dehors des Traités en question, il existe entre la Turquie et les Puissances des stipulations internationales antérieures, connues sous le nom de Capitulations (notre

* Voir l'Article XX de notre Traité du 10 Octobre, 1861.

† Article XVII du Traité Franco-Turc de 1861: "Le présent Traité sera valable pour vingt-huit ans. Toutefois chacune des Hautes Parties se réserve la faculté de proposer au bout de la quatorzième et de la vingt et unième année les modifications que l'expérience aura suggérées."

Traité de 1838 appartient à cette catégorie). Elles établissent en faveur de chaque Puissance le traitement de la nation la plus favorisée.* Cette stipulation fait en sorte que si la Turquie voulait respecter ses engagements et la foi des Traités, elle se trouverait dans l'impossibilité de changer les bases des Traités qui sont de nature à être dénoncés. Car étant donné que les Traités des quatre Puissances (France, Portugal, Autriche, et Allemagne) ne peuvent pas être dénoncés, la dénonciation des autres Traités laisserait les Puissances respectives sans Traité de Commerce avec la Porte; de sorte que les dites Puissances se trouveraient sous le régime des Capitulations en partant justifiées à réclamer le traitement de la nation la plus favorisée. Ce traitement consiste à ne payer que 8 pour cent. *ad valorem* sur tout ce qu'elles importent en Turquie. Or, elles se trouveraient par le fait des Capitulations sur le même pied que les Puissances dont les Traités ne peuvent pas être dénoncés.

Telle est la situation en principe. Il importe de voir maintenant quelles sont les conséquences pratiques qui en découlent et qui nous intéressent particulièrement.

Notre Traité a été dénoncé, parce que telle était sa nature, notre Tarif a été dénoncé et a cessé d'exister, parce que telle a été la volonté arbitraire de la Porte; les produits de notre commerce sont taxés aujourd'hui *ad valorem*, mais ils ne paient que le 8 pour cent; parce que notre Traité n'expire que le $\frac{1}{13}$ Mars prochain et que jusqu'à cette époque la Porte ne peut, par le fait de l'existence de ce Traité, modifier cette taxe, notre commerce est content de cette situation, parce que notre ancien Tarif nous était désavantageux; par conséquent si la situation d'aujourd'hui pouvait s'éterniser, nous n'aurions rien de même à demander pour le commerce Belge.

Pour que cette situation puisse se prolonger il faut :—

1. Que les Puissances dont les Traités ne sont pas de nature à être dénoncés, ne cèdent aux instances de la Porte et ne sacrifient à leurs intérêts politiques les avantages découlant de la lettre de leurs Traités.

2. Que l'Angleterre, qui est dans le même cas que nous, c'est-à-dire dont le Traité doit cesser d'exister par le fait de la dénonciation, insiste pour obtenir, après l'expiration de son Traité, le traitement de la nation la plus favorisée.

Le Traité de l'Angleterre finit à la fin de ce mois, tandis que le nôtre expire cinq mois plus tard.

Si nous étions sûrs des deux choses ci-dessus indiquées, nous laisserions la Turquie dénoncer le Traité, frapper de mort notre Tarif, comme elle l'a fait, et nous ne nous préoccuperions d'aucune façon de l'avenir de notre commerce; car nos produits continueraient à être introduits en Turquie en ne payant que le 8 pour cent. *ad valorem* pendant les sept ans que doivent durer encore les Traités des quatre Puissances susdites. Ce serait alors à la Turquie de courir après nous et de nous faire des conditions avantageuses pour nous induire à conclure un nouveau Traité et à confectionner un nouveau Tarif.

J'ai fait tout ce qui était en mon pouvoir pour m'informer et renseigner la Légation du Roi sur ces deux importants sujets. Dans le rapport que j'ai l'honneur de vous adresser en date d'aujourd'hui et qui fait suite à mes précédents, je fournis encore des renseignements qui ne sont pas tout à fait dépourvus d'intérêt et qui indiquent jusqu'à un certain point que les Puissances comptent suivre une ligne de conduite conforme à nos intérêts; mais il n'est pas possible d'obtenir ici des notions tout à fait précises et positives sur leurs dispositions et sur leur attitude définitive. Comme il n'est pas prudent d'adapter une ligne de conduite dans cette affaire si importante avant de connaître exactement ces dispositions, j'ose suggérer qu'il serait utile que le Gouvernement du Roi fît à cet effet les démarches nécessaires à Paris, à Berlin, à Vienne, et à Londres. Si à la suite de ces démarches on acquiert la certitude que la France, l'Allemagne, et l'Autriche maintiendront leurs Traités pendant sept ans encore et que l'Angleterre insistera pour faire prévaloir la clause incontestable, mais que la Turquie semble vouloir contester, du traitement de la nation la plus favorisée, il est évident qu'il faut laisser tomber la négociation et profiter de la situation avantageuse qui nous sera créée pour obtenir par la temporisation des conditions aussi avantageuses que possible pour notre commerce. Si au contraire l'on voit que les trois Puissances précitées sont disposées à sacrifier les avantages découlant de la lettre de leurs Traités et que l'Angleterre n'est pas décidé à employer les mesures nécessaires pour avoir raison des résistances de la Porte à propos du traitement de la nation la plus favorisée, il faut que nous nous hâtions de négocier et de conclure, afin de ne pas nous trouver au mois de Mars sous le coup d'une taxation exorbitante.

Il y a une dernière alternative que je n'ai pas manqué de signaler dans mes

* Voir les Articles III, V, et XI de notre Traité de 1838.

précédents rapports; c'est à savoir si le Gouvernement Ottoman actuel appliquera à la Belgique la même mesure qu'à l'Angleterre, et si le Gouvernement du Roi possède les moyens de contraindre la Porte à respecter la justice et les Traités.

On pourrait à la rigueur attendre quelques semaines encore pour voir comment l'Angleterre sera traitée; mais ce moyen me paraît dangereux; parce que la Porte est capable de rester silencieuse, de laisser l'Angleterre bénéficier de son silence jusqu'au moment où les Traités des autres Puissances expirent, et prendre alors une mesure subite contre nous tous, mesure dont il faudrait absolument préserver, si c'est possible, notre commerce.

Ce qui précède indique toute l'urgence qu'il y a à ce que le Gouvernement du Roi se mette en rapport avec qui de droit pour obtenir les informations précises sur les intentions des trois Puissances et sur l'attitude que l'Angleterre compte prendre. De mon côté, je ne cesserai de veiller avec la plus grande attention et de vous renseigner à temps sur tout ce qui concerne cette importante question.

L'estimation étant un travail qui dans tous les cas devra être fait, il serait utile de le commencer dès à présent. A cet effet, comme j'avais l'honneur de vous le dire par mon rapport du 10 Juin dernier, il serait nécessaire de me restituer l'un des trois tableaux systématiques confectionnés par les Délégués Ottomans, afin que je commence le travail ici avec la coopération de mes négociants et de le faire effectuer en même temps en Belgique par les institutions compétentes.

Agréez, &c.
(Signé) CALLINUS.

No. 203.

The Earl of Dufferin to Earl Granville.—(Received October 9.)

(Commercial.)
(Telegraphic.) *Constantinople, October 9, 1883, 11·45 A.M.*

YOUR telegram of 8th.

On the day after my arrival the Porte's reply to Mr. Wyndham's three notes, Nos. 65, 119, and 155, arrived. The terms of this document were so obscure and unsatisfactory, that I informed Porte that if they refused to give us the explicit declaration demanded we should insist upon most-favoured-nation treatment, and that if any difficulty was made about this we should fall back upon our rights under the Capitulations.

Correspondence sent home by last messenger.

No. 204.

Lord E. Fitzmaurice to Mr. Bousfield.

Foreign Office, October 10, 1883.

Sir,

I AM directed by Earl Granville to convey to you his Lordship's thanks for the assistance which you have rendered in the recent discussions respecting the Turkish Tariff, and, at the same time, to forward to you letters of introduction to Her Majesty's Diplomatic and Consular Representatives in the Levant, for use in your journey there.

I am, &c.
(Signed) EDMOND FITZMAURICE.

No. 205.

The Earl of Dufferin to Earl Granville.—(Received October 11.)

(No. 321. Commercial.)
Therapia, October 6, 1883.

My Lord,

ON Sunday, the 30th September, the day after my arrival at Constantinople, the reply of the Porte to Mr. Wyndham's previous communications relative to the Commercial Treaty reached the Embassy.

This document, which I subjoin, appeared to me so obscure and ambiguous in many of its phrases, that I took an opportunity when paying my respects to the

Foreign Minister and to the Grand Vizier to point out to their Highnesses the confusion and inconvenience which would be introduced into the commercial relations of the two countries if we were not more explicitly informed as to the conditions under which English goods were to be admitted into Turkey during the interval which must necessarily elapse before a new Commercial Treaty could be negotiated; and in accordance with the instructions contained in your Lordship's despatch No. 166 of the 20th September, I told Said Pasha that, unless we received a formal declaration on the subject, we should demand most-favoured-nation treatment, and, if this were refused, we should fall back upon our rights under the Capitulations.

His Highness, after seeking to suggest that the Capitulations had been abolished by clause of the recent Treaty (a view of the case which, I told him, could not be admitted for a moment), observed that, at all events, there would be no need to fall back upon the latter of the two alternatives I had mentioned.

The next day, in order to reinforce my representations, I sent in to the Porte the accompanying note, which I trust may meet with your Lordship's approval.

I imagine there are two objects which the Porte has in view in their endeavour to escape from any definite declaration in regard to the maintenance of an *ad interim* 8 per cent. *ad valorem* duty, and in the general ambiguity of their communication. In the first place, they wish, if possible, to contrive some way of making out that the Capitulations are obsolete, and, in the next, they are in hopes of coming to an arrangement with some of the other Powers on more favourable terms, in which event they would desire to remain free to raise their duties to the higher figure.

I have, &c.
(Signed) DUFFERIN.

Inclosure 1 in No. 205.

Aarifi Pasha to the Earl of Dufferin.

Constantinople, le 30 Septembre, 1883.

M. l'Ambassadeur,

J'AI eu l'honneur de recevoir les trois notes que l'Ambassadeur de Sa Majesté Britannique a bien voulu m'adresser, en date des 13 Avril, 15 Juin, et 15 Août derniers, relativement au Traité de Commerce Turco-Anglais.

Votre Excellence n'ignore point qu'en thèse générale chaque État jouit des bénéfices qui sont accordés, sans condition, à tout autre État. Bien que le Gouvernement de Sa Majesté Britannique ait, suivant ce principe, le droit de profiter, après le renouvellement du Traité, des avantages découlant de tout Traité contracté avec une autre Puissance, il n'en est pas moins vrai, pourtant, qu'un pareil privilège ne saurait comprendre les Traités qui ne sont pas encore expirés.

C'est donc à cette condition que le Gouvernement Impérial accède à la demande qui fait l'objet des notes précitées de l'Ambassade Royale.

En ce qui regarde la question du Tarif en cas où un Tarif unique serait adopté, il n'y aurait pas lieu à une situation privilégiée. Mais si des Tarifs séparés sont conclus, le privilège invoqué ne saurait s'appliquer aux Tarifs, chaque Gouvernement étant tenu d'observer celui qu'il aurait contracté.

Quant à la question d'assurer, jusqu'à nouvel avis, le traitement de la nation la plus favorisée, les Traités et Tarifs expirés devant être renouvelés à bref délai, cette question fera l'objet d'un mûr examen, et la décision qui sera prise à cet égard sera communiquée à votre Excellence.

Veuillez, &c.
(Signé) A. AARIFI.

Inclosure 2 in No. 205.

The Earl of Dufferin to Aarifi Pasha.

Therapia, October 2, 1883.

M. le Ministre,

I HAVE the honour to acknowledge the receipt of your Highness' communication of the 30th September, in reply to the notes addressed by this Embassy to the Sublime Porte on the 13th April, the 15th June, and the 15th August relative to the Commercial Treaty.

Your Highness is good enough to state, in paragraph 3, that the Imperial Government is willing to accede to the demands embodied in the above-mentioned documents. Unfortunately, this satisfactory announcement is rendered somewhat ambiguous and obscure by the qualifying phrases with which it is incorporated, the exact meaning of which I fail to comprehend. I need not remind your Highness that, in matters of the kind, nothing is so essential as a perfectly clear and distinct understanding as to the conditions under which the trade between the two nations is to be conducted. At this moment English merchants are in absolute ignorance, now that the Treaty of 1861 has expired, as to their future position. They do not know what consignments to make, or what orders to give to their agents. As a result, a considerable amount of confusion must ensue in the commercial relations between Great Britain and Turkey, which cannot fail to prove prejudicial to the interests of both.

What Her Majesty's Government desire is, that the Sublime Porte should convey to them a distinct and formal declaration that the provisions of the Treaty of 1861, and the uniform duty of 8 per cent. *ad valorem* which the Ottoman Government have themselves proposed, will be maintained during the interval which may elapse before a new Commercial Treaty can be negotiated. As I have every reason to hope, both from your Highness' note of the 30th September as well as from the tenour of my conversation with you yesterday, that the foregoing suggestion is consonant to the real intentions of the Sublime Porte, I apprehend that there will be no difficulty in my obtaining a categorical assurance to that effect. In the contrary event, I am instructed by Her Majesty's Government to inform your Highness that the Treaty of the 29th April, 1861, having now lapsed, they must continue to claim most-favoured-nation treatment for British subjects, ships, commerce, and navigation in the Ottoman dominions, on the grounds set forth by Mr. Wyndham in previous communications. Should, however, any difficulty be raised on the part of the Porte to the admission of British subjects to such most-favoured-nation treatment, Her Majesty's Government consider that they will be fully entitled to demand, as an alternative, the privileges conceded to British merchants by the Treaties and Capitulations prior to the Treaty of 1838, which was replaced by that of 1861.

I avail, &c.
(Signed) DUFFERIN.

No. 206.

The Earl of Dufferin to Earl Granville.—(Received October 11.)

(Commercial.)
(Telegraphic.)

Constantinople, October 10, 1883.

I HAVE been informed officially that the Porte will make the specific Declaration we require in regard to the maintenance for one year of the 8 per cent. *ad valorem* duty. It will also intimate that the fixing of this duty does not intimate any intention to change the *ad interim* arrangement before a new Treaty is negotiated. The next few days being devoted to a religious festival, no business will be done at the Porte.

No. 207.

Mr. Kennedy and Mr. Wrench to Earl Granville.—(Received October 11.)

Foreign Office, October 11, 1883.

My Lord,

WE have the honour to report that, in conformity with the instructions contained in your Lordship's letter of the 10th ultimo, we have been in communication with the Chambers of Commerce and Associations that have acted on the Circulars from this Office of the 9th and 11th August last relative to the Turkish Tariff; and also with persons who, on the announcement thus made, have stated themselves to be interested in trade with Turkey. The bodies with whom we have been in communication are the Chambers of Commerce at Batley, Bradford, Birmingham, Cleckheaton, Dewsbury, Derby, Dundee, Glasgow, Halifax, Heckmondwike, Huddersfield, Leeds, Leicester, Liverpool, Macclesfield, Manchester, Middlesborough, Morley, Nottingham, Sheffield, Tunstall, Wakefield, Walsall, Warrington, Wolverhampton; and the Chemicals, Glass, Leather, Machinery, and the Oldham Cotton-spinners' Associations.

Under your Lordship's directions we attended a meeting, held at Leeds on the 26th ultimo, of representatives of Yorkshire Chambers of Commerce; a meeting at Manchester, on the 27th ultimo, of the Chamber of Commerce of that city, when a deputation from Macclesfield was also present; and on the following day a meeting at

Liverpool. From the 1st to the 4th instant we were at Derby, in order to confer with representatives of Chambers of Commerce assembled at the autumnal meeting at that place. On these occasions manufacturers were present who would have been unable to attend at the Foreign Office in such large numbers: we had the benefit of consultations with men possessing practical knowledge of the Turkish trade; and we were requested to convey their thanks to your Lordship for the facilities thus given for consideration of these matters.

We explained the circumstances of the case, entering into full details as to the desire of the Porte to introduce simplicity and order into its Customs administration, and the practical means by which it hopes to arrive at this result, and we stated that the negotiation in progress is not, strictly speaking, a negotiation for the conclusion of a Tariff Treaty, although that result is not excluded. We explained at the same time that Her Majesty's Government had claimed most-favoured-nation treatment pending the negotiation of a new Commercial Treaty, in which no doubt the usual most-favoured-nation Article will be inserted. It was shown that the state of things hitherto existing of separate Tariffs for each foreign country trading with Turkey is not favourable to British commerce; that the Tariff established by the Treaty of 1861 between Great Britain and Turkey, which has just expired, was framed on a general basis of specific duties; that the present uniform rate of 8 per cent. *ad valorem* was never intended by the Porte to be a permanent arrangement; and that the work now in hand is the task of obtaining assistance in the advice to be supplied to the Ottoman Commissioners who are employed in drawing a Conventional Tariff to be applied to the goods of those nations which may conclude new Commercial Treaties with the Ottoman Empire.

Our work has been delayed owing to two circumstances: first, the uncertainty with respect to the intentions of the Porte for prolonging the duration of the Treaty of 1861, previous engagements having been terminated, notwithstanding that the Porte was unprepared to enter on negotiations for the conclusion of a new Treaty; and, secondly, the fact that, as a rule, business is not carried on directly between manufacturing districts in the United Kingdom and Turkey, but is conducted through commission merchants at ports of shipment. Commercial Associations have thus often been compelled to consult these merchants, as well as to take the opinion of their own body.

It has, however, become evident that the draft Tariff transmitted to Mr. Wrench on the 2nd July by Bertram Effendi and Michaël Portugal Effendi requires considerable alteration in order to meet the fair requirements of British trade. Its classification in many instances does not correspond with the proper description of these goods. Adequate provision for this trade is the more necessary, on the following grounds: it forms the largest branch of the foreign commerce of Turkey; there is strong competition arising in this market; some goods, our mixed fabrics more especially, would not, with any fairness in assessment of duty, come within the classification and nomenclature of competing foreign merchandize, and others, such as certain kinds of cottons, are an English speciality, and are manufactured expressly for the Turkish trade.

As regards the question of *ad valorem* duties, the maintenance of which was strongly urged on behalf of some trades, we pointed out that specific rather than *ad valorem* rates were adopted as the general rule of customs duties in Turkey in 1861: that the present uniform rate of 8 per cent. *ad valorem* is announced to be an exceptional and temporary measure, and that the Porte insists on the abolition, as far as possible, of *ad valorem* duties. Under the circumstances of the case, we could not recommend Her Majesty's Government to press the adoption of the *ad valorem* system in Turkey except in the case of certain goods with regard to which it may not be found practicable to suggest an assessment of duty by weight or numbers without grave inconvenience to trade or the Ottoman Treasury.

We have also to observe, with respect to the statement of the Porte's intentions to increase the rate of duty in some instances from 8 to 20 per cent., that Turkey, not being a manufacturing country, this measure does not, strictly speaking, imply the adoption of a policy of protection, but is rather intended as an effort to increase revenue. At the same time, it will be necessary, as soon as definite proposals as to duties on each class of goods are made, to examine with care the rate proposed to be fixed in each instance, and to suggest alterations whenever commercial or fiscal interests are likely to be affected by the new duty. It will also be well that the precedent of the Treaty of 1861 should be followed in the new Treaty as regards a provision that at intervals of seven years the Tariff shall be open to revision.

The delay previously alluded to precludes us as yet from submitting a complete statement of suggestions in behalf of all branches of British trade. We are, for example,

as yet without full information in regard to cottons. These particulars are not likely to reach us before the date fixed for the meeting of the Conference at Paris relative to the protection of submarine telegraphs which one of us has to attend; and we have therefore thought it best to submit this Report, stating, as the result of our inquiries, that the draft of the Turkish Tariff of the 2nd July, 1883, will require considerable revision; to arrange that an Annex to this Report, containing in one statement the proposals to be made with this view, shall be completed as soon as possible by Mr. Wrench; and to suggest that on his return to Constantinople he should explain these matters to the Earl of Dufferin, and, under his Excellency's instructions, endeavour to obtain the adoption by the Ottoman Commissioners of the amendments thus to be asked for on the part of Her Majesty's Government.

We have, &c.
(Signed) C. M. KENNEDY.
W. H. WRENCH.

No. 208.

Earl Granville to the Earl of Dufferin.

(No. 186. Commercial.)

My Lord, *Foreign Office, October* 16, 1883.

I TRANSMIT herewith, for your Excellency's information, a copy of a Report that has been drawn up and addressed to me by Mr. C. M. Kennedy, C.B., of this Office, and Mr. W. H. Wrench, Her Majesty's Consul at Constantinople, upon their recent visit to various commercial centres in the north of England interested in trade with Turkey.*

I am, &c.
(Signed) GRANVILLE.

No. 209.

Mr. Andrew to Lord E. Fitzmaurice.—(Received October 17.)

Oldham Master Cotton-spinners', &c., Association, Office, 12, Clegg Street, Oldham,

My Lord, *October* 14, 1883.

A REPORT appears in the newspapers to the effect that the Foreign Office authorities in London have received a notification that the Turkish Government will accept a maximum *ad valorem* duty of 8 per cent. as a basis for formulating a Tariff on goods sent from this country to Turkey. I am instructed to ask your Lordship (if the Report be true) if this 8 per cent. basis is intended to apply to all cotton goods and yarns, as it will materially affect the course of action intended to be taken by this Association.

Kindly let me have your Lordship's reply at as early a convenience as possible.

Yours, &c.
(Signed) SAML. ANDREW, *Secretary.*

No. 210.

Mr. Lister to Mr. Andrew.

Sir, *Foreign Office, October* 19, 1883.

I AM directed by Earl Granville to acknowledge the receipt of your letter dated the 14th instant, containing inquiries as regards the application to cotton goods of the 8 per cent. *ad valorem* duty, the imposition of which upon foreign goods is reported as being contemplated by the Turkish Government. I am, in reply, to state, for the information of the Oldham Master Cotton-spinners' Association, that a Report on this subject is awaited from Her Majesty's Ambassador at Constantinople, on the receipt of which a public notification will be issued as to the arrangement which may be come to with the Turkish Government thereupon.

I am, &c.
(Signed) T. V. LISTER.

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* No. 207.

No. 211.

Earl Granville to the Earl of Dufferin.

(No. 191. Commercial.)
Foreign Office, October 24, 1883.

My Lord,

HER Majesty's Government have had under their consideration your Excellency's despatch, with its inclosures, No. 321, Commercial, of the 6th instant, relative to the present attitude of the Porte with regard to the commercial relations between Great Britain and Turkey; and in now conveying to you their approval of the language held by you on this subject, both verbally to Said Pasha and in your note to Aarify Pasha of the 2nd instant, I have to authorize your Excellency, should you see fit, to state that you are instructed to repeat to the Porte the statements made in the above note under the direct authority of Her Majesty's Government.

I am, &c.
(Signed) GRANVILLE.

No. 212.

The Earl of Dufferin to Earl Granville.—(Received November .)

(No. 339. Commercial.)
Therapia, November 2, 1883.

My Lord,

BEING still without an official reply to my recent note in reference to the question of commercial duties, I have addressed a still more pressing note to the Porte on the subject, a copy of which I have the honour to inclose.

I have, &c.
(Signed) DUFFERIN.

Inclosure in No. 212.

The Earl of Dufferin to Aarifi Pasha.

Therapia, October 27, 1883.

M. le Ministre,

IN obedience to fresh instructions which I have received from Her Majesty's Government, I have the honour to request that your Highness will hasten the reply of the Sublime Porte to my last communication of the 2nd instant respecting the Treaty of Commerce between Great Britain and Turkey.

Your Highness will doubtless agree with me that, in view of the serious commercial interests at stake, it is natural that any Government should be anxious to see an important question of this nature treated with the attention it deserves.

I avail, &c.
(Signed) DUFFERIN.

No. 213.

Earl Granville to Viscount Lyons.

(No. 196. Commercial.)
Foreign Office, November 9, 1883.

My Lord,

I TRANSMIT to you herewith, for your Excellency's information, a copy of a despatch from the Earl of Dufferin, with its inclosure, relative to the state of commercial relations between Great Britain and Turkey.*

I am, &c.
(Signed) GRANVILLE.

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* No. 212.

No. 214.

Earl Granville to the Earl of Dufferin.

(No. 200. Commercial.)
Foreign Office, November 9, 1883.

My Lord,

HER Majesty's Government approve the note addressed by your Excellency to Aarify Pasha, a copy of which is inclosed in your despatch No. 339, Commercial, dated the 2nd instant, pressing, on behalf of Her Majesty's Government, for a reply from the Porte respecting the Commercial Treaty between Great Britain and Turkey.

I am, &c.
(Signed) GRANVILLE.

No. 215.

M. Callinus to M. Bartholeyns.—(Communicated to Earl Granville by Baron Solvyns, November .)

Péra, le 2 Octobre, 1883.

M. le Ministre,

DEPUIS mon dernier Rapport des incidents importants et dignes d'être connus dans leurs détails par le Gouvernement du Roi se sont produits dans la négociation des Traités de Commerce.

L'Allemagne a consenti enfin, comme je le craignais, à renoncer au bénéfice découlant de la lettre de son Traité; elle vient d'adresser une note pour offrir à la Turquie une augmentation du 8 pour cent, pouvant aller jusqu'au double de ce chiffre. Mon collègue Allemand que j'ai eu soin de voir, aussitôt la démarche de son Gouvernement faite, m'a tenu le langage suivant: La Sublime Porte ayant décidé de supprimer les droits de sortie et de transit, les Puissances devraient lui venir en aide en lui accordant une augmentation de taxe d'entrée, savoir, du 8 pour cent, de nature à constituer un équivalent de la diminution qui se produirait dans les revenus de la Douane. Il a ajouté qu'il faudrait exiger en échange de cette concession une durée de trente ans pour les nouveaux Traités.

Cette attitude de l'Allemagne diminue le nombre des Puissances qui pouvaient s'opposer, grâce à la lettre de leurs Traités, aux mesures Douanières proposées par la Porte. Il reste l'Autriche et la France, Puissances dont le commerce avec la Turquie est des plus considérables, après celui de l'Angleterre. On ne tardera pas à connaître l'influence qu'aura sur ces deux Puissances l'exemple donné par l'Allemagne.

J'avais eu l'honneur de vous informer, M. le Ministre, du malentendu surgi à propos de la dénonciation du Traité de l'Italie et des pourparlers qui s'en sont suivis, j'avais également porté à votre connaissance qu'en dernier lieu l'Italie avait adressé une note faisant connaître à la Porte qu'elle maintenait sa manière de voir, c'est-à-dire, qu'elle considérait son Traité comme non dénoncé et comme devant durer sept ans encore. La Porte a donné en date du 30 Septembre dernier à l'Italie la réponse suivante: Le Gouvernement Ottoman considère la dénonciation du Traité Italien comme ayant été dûment faite et ce Traité comme ayant expiré le 30 Septembre; le commerce Italien sera par conséquent soumis à partir du 1er Octobre au même régime Douanier que celui qui régit le commerce des pays tels que la Russie, l'Angleterre, et la Grèce, dont les Traités ont expiré.

L'Ambassade d'Italie considère cette réponse comme contraire aux faits et M. le Comte Corti s'est rendu en personne à la Porte et a fait des représentations énergiques au Ministre des Affaires Étrangères, qui a cherché à le calmer en lui promettant des explications ultérieures.

La Porte vient enfin de répondre aux notes Anglaises relatives à la question du traitement de la nation la plus favorisée; cette réponse est conçue à peu près comme suit: L'Angleterre, lorsqu'un nouveau Traité sera conclu entr elle et la Turquie, sera fondée à réclamer en faveur de son commerce le bénéfice de tous les avantages qui seraient accordés à d'autres nations "sans condition." Quant au Tarif, si les négociations aboutissent à un Tarif unique il n'y aura pas de situation privilégiée, c'est-à-dire, l'égalité de traitement sera consacrée pour toutes les Puissances; si le système de Tarifs séparés prévaut, chaque Puissance devant avoir son Tarif spécial n'aurait pas le droit de réclamer pour son commerce l'application du Tarif d'une autre.

Un fonctionnaire de la Porte m'a dit que les mots "sans condition" doivent être interprétés par "sans équivalent;" ce qui voudrait dire que si une Puissance obtient un

avantage sans offrir en échange des avantages équivalents, l'Angleterre serait fondée à demander le même avantage.

Vous voyez, M. le Ministre, que les prévisions que je consignais dans mes précédents Rapports se réalisent de point en point et que la Porte, malgré l'avis de ses conseillers légistes, qui se sont prononcés favorablement à l'Angleterre sur la clause du traitement de la nation la plus favorisée, évite de répondre catégoriquement à la question posée par l'Ambassade Britannique. Cette façon de procéder du Ministère Ottoman fortifie les appréhensions dont je vous ai fait part et suivant lesquelles la Porte cherche à conserver, contrairement à la lettre des Capitulations, sa liberté d'action, afin de frapper dans un moment donné subrepticement le commerce de nos pays d'une taxation arbitraire et exorbitante.

Il est par conséquent plus que jamais urgent que le Gouvernement du Roi s'entende avec celui de la Grande-Bretagne pour prévenir une pareille éventualité.

Veuillez, &c.

(Signé) CALLINUS.

No. 216.

Mr. Andrew to Earl Granville.—(*Received November* 16.)

Oldham Master Cotton Spinners', &c., Association,
12, *Clegg Street, Oldham, November* 15, 1883.

My Lord,

I AM instructed to lay before your Lordship the following grievance, and to respectfully ask your Lordship's attention thereto:

This Association appointed a deputation to wait on the Government Representatives at the Foreign Office with regard to the proposed Turkish Tariff. Messrs. Kennedy and Wrench kindly received the deputation, and Mr. Wrench requested to be furnished with certain information, to be given in a certain form. This information was given, with a request by us that if any further information on the subject were wanted Lord Edmond Fitzmaurice would at once communicate with this Association. We duly received the thanks of Mr. Wrench for giving the information "exactly as required," with an assurance that if further explanation were required he would communicate with this Association.

From a letter addressed by Sir Joseph C. Lee to the public press (copy of which I inclose), it appears that this information has been disclosed to Sir Joseph C. Lee, and in that letter he finds fault with the manner in which this information has been given.

I submit, my Lord, that if anything had been wrong with our information, or the manner of giving it, it should have been pointed out to us by the Foreign Office first and not by Sir Joseph Lee; that there has been a breach of confidence somewhere; that Sir Joseph Lee ought not to have had this information to use in the public press without our Association being first consulted.

I am instructed to send your Lordships copy of Resolution passed by this Committee last night:—"That Secretary be instructed to write to the Foreign Office for information as to how Sir Joseph Lee got possession of certain information given by this Association to their officials, and why Sir Joseph Lee should have been allowed to use this information against this Association in the public press."

I may say that this Association, representing, as it does, the largest cotton-spinning centre in England, declines to be represented by Sir Joseph Lee or the Manchester Chamber of Commerce in this matter; and I have to request that your Lordship will cause such inquiry to be made as will give some satisfaction for the present offence and prevent a recurrence of it in the future.

I am, &c.

(Signed) SAMUEL ANDREW, *Secretary.*

Inclosure in No. 216.

Newspaper Extracts.

THE CHAMBER OF COMMERCE AND THE OLDHAM COTTON SPINNERS.

To the Editor of the "Examiner and Times."

Sir,

I SEE by Mr. Andrew's peremptory note, published in your issue of to-day, that I am requested to substantiate or retract the remarks which I made at the meeting of the Chamber of Commerce on the 5th instant.

Probably the best way of satisfying the Oldham Association of Cotton Spinners will be by stating the views of the Committee appointed by the Chamber. This Committee (over which I have the honour to preside) is composed of merchants who trade to all Ottoman ports, and is of a representative character. It has been engaged for about six weeks in developing a plan by which the manufactures of this district may enter the Turkish dominions and vassal States on a favourable specific basis. The labours of this Committee have now been brought to an end, and I am requested to state as follows:—

The Oldham Association has no direct knowledge of the trade to Turkey, nor has its Secretary or members any special knowledge that would qualify them for advising the Government on this most difficult question. That they do not represent the trade of cotton spinning, and the bulk of the yarns they produce are unsuitable to the Turkish trade.

That the suggestive Tariff made by the Association is a mere modification of the French Tariff—it is in French numbers, French weights, French values; that it is the interest of the trade of this country to maintain the English numbers and assortments in which the trade has been done for years.

That the Committee appointed by the Chamber represents seven-eighths of the trade to Turkey, and that they are, therefore, the best qualified to advise the Chamber of Commerce, whom they believe to be the only representative body of the trade of Manchester and district.

Yours, &c.

(Signed) J. C. LEE,
Chairman of the Turkish Tariff Committee.

To the Editor of the "Examiner and Times."

Sir,

It is evident, when Sir Joseph Lee made his speech at the Manchester Chamber of Commerce, that he did not know the nature of the suggestions made by this Association to the Foreign Office. Had he known them, he could not have made the charge he did. His speech is reported as follows:—

"He thought it would be very much better if all questions relating to Treaties and Tariffs dealing with goods manufactured in this district were brought before the Chamber. He noticed that the Oldham Cotton Spinners' Association approached the Foreign Office on this particular matter, which he thought was very unfortunate, because the information they supplied and the suggestions they made were very detrimental to the interests of this country, and if the Foreign Office had acted upon those suggestions it would have been very unfortunate for the merchants connected with the trade."

Now as regards "goods manufactured in this district," the only suggestion made by this Association was as follows:—

"With regard to piece-goods, we shall have to leave their treatment in the hands of the Manchester Chamber of Commerce."

If Sir Joseph had known this he could not have made these remarks. If he did not know this, he was drawing on his imagination for facts.

He had no right to say what he did, and he has placed himself in a most "unfortunate" position. No wonder that Sir Joseph needs all the protection that you can give him.

With all the chicanery Sir Joseph may be capable of, and with all the assistance that the Manchester Chamber of Commerce and you can give him, Sir Joseph Lee cannot extricate himself from this dilemma.

As to Sir Joseph's letter in the "Examiner and Times," it is a mere subterfuge.

It carefully avoids mention of the above suggestion, and vainly tries to make a point out of yarns.

Our Association has received the thanks of Mr. Wrench for carrying out his instructions, and for sending information "exactly in the form he required," Mr. Wrench assuring us that he would again write us "if he found he needed further information."

It is needless to say that the Foreign Office has made no request from us to alter the form of our proposals, and how Sir Joseph Lee and the Manchester Chamber of Commerce have got possession of our papers it will be for those to answer to whom we gave them in charge. I decline for the present to discuss with Sir Joseph Lee the contents of a paper sent by this Association in confidence to the Foreign Office.

I am astonished to be told for the first time by Sir Joseph Lee, and through the columns of a newspaper, that there is something wrong with it. Who the party is that has been guilty of such a breach of trust it will be for after inquiry. I only hope that Sir Joseph Lee has not placed the Foreign Office of this country, like himself, in an "unfortunate" position.

I read with satisfaction, however, that the only small fault that can be found with the "suggestive Tariff" on yarns is, that it is to the "interests of the trade that English numbers and assortments" should be maintained, the Oldham suggestions being in French, according to explicit instructions from the Foreign Office.

Surely Sir Joseph should blame the Foreign Office for this, and not our Association. I fail, however, to see that a trifling matter like this should, in the awful words of Sir Joseph, be "detrimental" to the interests of this country. Sir Joseph makes himself ridiculous by making such a suggestion.

As to the Manchester Chamber of Commerce being six weeks over its labours, one of which is gravely stated to be that they have arrived at the conclusion that "they are the only representative body of the trade of Manchester and district," I must call a full meeting of the Oldham Master Cotton Spinners' and Manufacturers' Committees, and see what they may have to say about it.

Yours truly,
(Signed) SAMUEL ANDREW, *Secretary*,
Oldham Master Cotton Spinners' and Manufacturers' Association.

12, *Clegg Street, Oldham, November* 13, 1883.

No. 217.

Memorandum by Mr. Wrench.

WITH reference to Mr. Andrew's letter of the 15th November, I may begin by stating that, as a matter of fact, the suggestions made for classification of, and duties on, cotton yarns by the Oldham Association, were known to Sir J. Lee in Manchester prior to my communicating with him.

With regard to my so communicating, nothing passed between myself and the deputation from Oldham, either *viva voce* or in writing, to indicate that their suggestions were in any way to be considered as confidential; nor, considering the facts of the case, would it have been possible to have accepted them as confidential communications.

Information had to be obtained on all matters relating to cotton manufactures, and the Manchester Chamber of Commerce appointed a Committee, composed of about twelve merchants, all of whom carry on trade in cotton yarns and cloths with Turkey, nominating Sir Joseph Lee as chairman. As the suggestions of the Oldham cotton spinners embraced a portion, and a portion only, of the subject under the consideration of the Manchester Committee, and as the question of the classification of cottons is the most important item in connection with the new Turkish Tariff, it appeared to me natural to consult so competent an authority as a Committee composed of actual traders on a matter on which I had but the manufacturer's opinion, for I need hardly mention that in many cases the manufacturers do not know whether, or in what form, their goods go to Turkey.

If I may be allowed to suggest, I would propose that Mr. Andrew should be informed that there being nothing on the face of the suggestions of the Oldham Association to indicate that they were to be considered as confidential, they were naturally communicated to the Committee of gentlemen trading with Turkey, and consequently possessing an accurate knowledge respecting goods introduced into the Ottoman

dominions, which had been appointed by the Manchester Chamber of Commerce to report upon the whole question connected with cotton manufactures sent to the East.

WILLIAM H. WRENCH.

November 19, 1883.

No. 218.

Mr. Fraser to Earl Granville.—(Received November 23.)

(No. 109. Commercial.)

My Lord, *Rome, November* 20, 1883.

M. PEIROLERI, the Director of the Commercial Department of the Italian Ministry for Foreign Affairs, told me yesterday that the negotiations between this Government and the Porte for the signature of a new Commercial Treaty between Italy and Turkey had met with an obstacle, the Porte refusing to accord the most-favoured-nation treatment.

Italy had replied by assuming her late Treaty, which entitled her to such treatment to be still in force, and capable of remaining so unaltered, and this proposition had not yet been answered.

I have, &c.
(Signed) HUGH FRASER.

No. 219.

Earl Granville to the Earl of Dufferin.

(No. 211. Commercial.)

My Lord, *Foreign Office, November* 24, 1883.

I TRANSMIT herewith, for your Excellency's information, a copy of a despatch from Mr. Fraser relative to commercial negotiations between Italy and Turkey.*

I am, &c.
(Signed) GRANVILLE.

No. 220.

Lord E. Fitzmaurice to Mr. Andrew.

Sir, *Foreign Office, November* 24, 1883.

I AM directed by Earl Granville to acknowledge the receipt of your letter of the 15th instant, and, in reply, I am to state that inquiry having been made respecting the matter therein referred to, it appears that Sir J. Lee was President of a Committee of Turkey merchants appointed by the Manchester Chamber of Commerce to offer proposals for the classification of all cotton goods exported to Turkey. Mr. Wrench was placed in communication with this Committee, and it was therefore his duty to submit to its President all suggestions that reached him from manufacturers or others interested in the trade. It was necessary that Mr. Wrench should arrive at a clear comprehension of the situation, which could only be attained by ascertaining the opinion of the actual exporters on suggestions made by manufacturers.

No wish having been expressed, either verbally or in writing, to the effect that the Oldham Master Cotton Spinners' Association desired their communication to be considered as confidential, it was communicated to the President of the Manchester Committee in the same way as other similar communications; but there is reason to believe that the proposals of the Oldham Master Cotton Spinners' Association were known to the Manchester Committee prior to their being communicated by Mr. Wrench.

I am, &c.
(Signed) EDMOND FITZMAURICE.

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* No. 218.

No. 221.

The Earl of Dufferin to Earl Granville.—(*Received November* 25, 5·30 P.M.)

(Commercial. Confidential.)
(Telegraphic.) *Constantinople, November* 25, 1883, 2·45 P.M.

ITALIAN Ambassador has received a note from the Porte, informing him that the 8 per cent. *ad valorem* duty will be maintained until the conclusion of a new Treaty and Tariff.

No. 222.

Earl Granville to the Earl of Dufferin.

(No. 213. Commercial.) *Foreign Office, November* 30, 1883.

My Lord,

WITH reference to my despatch No. 186, Commercial, of the 16th ultimo, I transmit to your Excellency herewith copies of the statement prepared by Mr. Wrench, containing observations on commercial questions in Turkey, and suggestions made by commercial bodies in this country on trade between the United Kingdom and Turkey and the proposed new Turkish Tariff.

I have to request that your Excellency will take the Report of the 11th October and the inclosed statement into your consideration; and that on Mr. Wrench's return to Constantinople you will place him again in communication, as British Delegate, with the proper authorities at Constantinople, and furnish him with such instructions as you may think expedient with respect to the Turkish Tariff, and matters connected with its revision.

I am, &c.
(Signed) GRANVILLE.

No. 223.

Earl Granville to the Earl of Dufferin.

(No. 214. Commercial.) *Foreign Office, November* 30, 1883.

My Lord,

I TRANSMIT to your Excellency herewith a copy of correspondence, in print, respecting the revision of the Commercial Treaty of 1861 between Great Britain and Turkey.

I should be glad to receive any observations which you may have to offer on these papers. I think it would be well if your Excellency would instruct the Dragoman of Her Majesty's Embassy, who usually transacts business with foreign Missions at Constantinople, to obtain and furnish you with the means of drawing up a statement showing the position of the Commercial Treaties between Turkey and different countries, viz., the date of such Treaties; the date when the Treaty and the Tariff annexed to it with each foreign country has terminated, or is terminable; and the nature of the engagement as regards subjects, trade, and navigation which is understood to be claimed by each country, under Capitulations or otherwise, in the event of the lapse of the Treaty now, or until a recent date, in force.

I have to request that this statement may be sent home in English.

I am, &c.
(Signed) GRANVILLE.

No. 224.

Earl Granville to the Earl of Dufferin.

(No. 215. Commercial. Confidential.) *Foreign Office, November* 30, 1883.

My Lord,

WITH reference to previous correspondence with regard to the Customs duties levied on British goods imported into Turkey, I have to point out to your Excellency that there has been no confirmation as yet of the announcement made in your telegram

of the 10th ultimo, that the existing 8 per cent. *ad valorem* duty will be maintained for a year, and, further, that the fixing of this duty does not intimate any intention to change the *ad interim* arrangement before a new Treaty is negotiated.

The vagueness and uncertainty of the existing state of things in regard to commerce is unsatisfactory. There is danger, looking to what happened in the instances of the Smyrna quays, the navigation of the Tigris, and the alteration of the Tariff itself last May, that, unless a definite understanding is arrived at, a change in the Tariff which will be detrimental to British commercial interests may be suddenly made by the Porte. I need hardly say that any such action would produce a very bad effect in this country.

It is therefore necessary that a definite step should be taken, which will satisfy inquiries in the United Kingdom, and in Parliament when it meets again. The best course would be the signature of a Declaration to give effect to the announcement made in your telegram of the 10th ultimo. If this settlement cannot be brought about, I have to request that your Excellency should give formal notice to the Porte that, as the Turkish Government do not answer your various communications on commercial questions, Her Majesty's Government do not consider it necessary to pursue the correspondence, and close it with the distinct reiteration of the claim of this country to most-favoured-nation treatment and the maintenance of the Capitulations, pending negotiations for the conclusion of a fresh Treaty of Commerce to replace the Treaty of 1861, which has now lapsed.

I am, &c.
(Signed) GRANVILLE.

No. 225.

Earl Granville to Mr. Kennedy and Mr. Wrench.

Gentlemen, *Foreign Office, December* 1, 1883.

I HAVE to acknowledge the receipt of your letter of the 11th October, informing me that, in conformity with the instructions of my letter of the 10th September, you have been in communication with the Chambers of Commerce and Associations that have acted on the Circulars from this Office of the 9th and 11th August relative to the Turkish Tariff, and with persons who, on the announcements thus made, have stated themselves to be interested in trade with Turkey; and I have now to thank you for the ability and care which you have shown in conducting these communications, and for the valuable information which you have been the means of eliciting and conveying to this Office.

I am, &c.
(Signed) GRANVILLE.

No. 226.

The Earl of Dufferin to Earl Granville.—(*Received December* 6, 8 A.M.)

(Commercial.)
(Telegraphic.) *Constantinople, December* 5, 1883, 9·15 P.M.

I HAVE reason to believe that the answer of the Porte to my notes referring to Commercial Treaty will declare that English goods will be subjected to an 8 per cent. *ad valorem* duty up to 13th June next. Should the new Commercial Treaty not be concluded before that date, provision will be made for a further delay of six months.

No. 227.

The Earl of Dufferin to Earl Granville.—(*Received December* 14.)

(No. 353. Commercial.) *Constantinople, December* 8, 1883.

My Lord,

I HAVE the honour to inclose a note I have received from the Porte in reply to the three previous notes from this Embassy of the 15th August, 2nd October, and 27th October relative to the Commercial Treaty. The Porte proposes a Convention

sanctioning the application of the ancient Treaties until the 4th June, 1884. At the expiration of this term the Porte will recover its full liberty of action.

As from the terms of the note it is difficult to gather the exact intentions of the Ottoman Government, I caused further inquiries to be made as to its meaning. Sir Alfred Sandison reports that he was informed by the Under-Secretary of State that the practical result of the arrangement would be the levying of 8 per cent. *ad valorem* duties, as provided for in the Vth Article of the expired Treaty of 1861.

Sir Alfred Sandison was further confidentially informed that the Minister for Foreign Affairs was authorized to intimate that the same régime would be prolonged for an additional six months. I have instructed Sir Alfred Sandison to obtain a declaration to this effect from Aarify Pasha himself, and will report to your Lordship accordingly.

I have, &c.
(Signed) DUFFERIN.

Inclosure in No. 227.

Aarifi Pasha to the Earl of Dufferin.

Sublime Porte, le 6 Décembre, 1883.

M. l'Ambassadeur,

LE Gouvernement Impérial, animé du désir d'établir un *modus vivendi* à l'égard du commerce des Puissances dont les Traités ont expiré ou qui sont sur le point de l'être, croit devoir leur proposer d'assurer, par une Convention Provisoire, l'application des anciens Traités jusqu'au 4 Juin, 1884.

Dans le cas ou à l'expiration de cette Convention les nouveaux Traités et le nouveau Tarif ne serait pas conclus, la Sublime Porte recouvrerait sa pleine liberté d'action quant au taux des droits de douane.

Cette Convention stipulerait en outre qu'une fois les nouveaux Traités et le nouveau Tarif conclus aucune atteinte ne saurait être portée à leurs dispositions jusqu'à leur terme; mais elle reconnaîtrait à chaque Puissance le droit de se prévaloir pendant la durée des dits actes de tout avantage qui pourrait être accordé sans condition spéciale aux sujets, au commerce, ou à la navigation d'un autre État.

Le Gouvernement Impérial se plaît à espérer que ces bases, qui sont destinées à concilier tous les intérêts, seront agréées par le Gouvernement de Sa Majesté la Reine. C'est dans cette conviction qu'il m'a chargé de prier votre Excellence de vouloir bien prêter ses bons offices en vue de la signature d'une Convention dans le sens qui précède.

Veuillez, &c.
(Signé) A. AARIFI.

No. 228.

Earl Granville to the Earl of Dufferin.

(No. 227. Commercial.)

Foreign Office, December 17, 1883.

My Lord,

I HAVE to acknowledge the receipt of your Excellency's despatch No. 353, Commercial, of the 8th instant, relative to commercial arrangements between Great Britain and Turkey.

In expressing my approval of your action in this matter, I desire to add the following instructions and observations for your further guidance:—

As regards Treaties between this country and Turkey, it is only the Treaty of Commerce and Navigation of the 29th April, 1861, that has expired; the older Treaties or Capitulations are still in force.

Her Majesty's Government are willing to agree to prolong the duration of the Treaty of 1861 and of the existing Tariff, viz., the uniform import duty of 8 per cent. *ad valorem* until the 4th June next, and for a further period of six months if they are not replaced before that date by a fresh Agreement, arrived at by mutual consent. In any case, Her Majesty's Government claim complete most-favoured-nation treatment in Turkey for British subjects, and in matters of Tariff.

I am, &c.
(Signed) GRANVILLE.